THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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IF HARRIS STEPS IN SIR GEORGE MUST STEP OUT

His Appointment to High Commissionership Not in Favor

SIR ROBERT'S PROBLEM

Cabinet-Making is Difficult—Premier May Possibly Resign in Favor of Hon. Arthur Meighen

By Resident Representative

OTTAWA.—The present attempts at reconstruction of the Dominion Cabinet being made by Sir Robert Borden are of interest to the business men of Canada, for the old fight between the desire for efficiency and the necessity of discharging political obligations is still being waged.

Some very wild guesses are always being made when cabinet reconstruction is in the air, because, in cabinet making, "many are called, but few are chosen." Likely candidates come to Ottawa for the "once over." Sometimes they do not suit the job; and sometimes, as appears to have happened recently in the case of Sir Douglas Hazen, the job does not suit them. During the past week there have been a half-a-dozen men here from New Brunswick, who undoubtedly were canvassed to some extent, for the vacant cabinet position from that province; and Mr. Wigmore, M.P., who appears to be willing to lead any number of candidates up to the barrier without being an applicant himself, has promised that "there will be something doing very shortly."

It is not the New Brunswick vacancy, however, which is causing Sir Robert Borden most worry. It is not unlikely that he will settle the matter eventually by appointing General Maclean to the cabinet, without portfolio—which will bridge over the difficulty for the time being but not satisfy New Brunswick. His biggest worry is how he is to place Sir George Foster. It is Sir George who is now standing in the way of a very fair measure of reconstruction. If he were placed where he could do no harm—not, it may be noted, where he wants to go, to London—it is more than probable that Lloyd Harris would sacrifice his personal inclinations—which are for retirement to his own business—and enter the Government. But he will not accept the position of Minister of Trade and Commerce here if he is to be hampered at the other end by the appointment of Sir George Foster.

Why Not The Senate?

Under such circumstances, it seems a pity that some pressure cannot be brought to bear on Sir George to recognize the fact that his day is done as an active politician or Government official. If he could be induced to step aside and accept a Senatorship or some other position suited to his age, there would seem to be a good chance to put into the Department of Trade and Commerce and the High Commissionership in London, some of the punch which it has so long notably lacked. The Premier is now torn between the desire to secure efficiency and not to offend an old friend and great Canadian statesman. It begins to look as though a mistake had been made when Sir George was shunted from Finance, which he expected, to the Department of Trade and Commerce. He was much more able to handle the former portfolio than the latter.

It was thought that Sir Robert Borden accomplished a remarkable political feat when he formed Union Government; but it begins to look as though he had an even more difficult one now before him. It is not often that we see men running away from cabinet positions; but it is something of the kind that is going on now. The fact is that nearly every one believes that the Government is doomed, and no one cares to risk whatever political future he may have with a lost cause. It is for that reason that practically every name mentioned now in connection with cabinet reconstruction is that of a man of whom the public has heard little or nothing, or has heard too much. The latest possibility who came to Ottawa to be

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IF THE BANK CLERKS GO ON STRIKE

There is a definite movement to unionize the bank clerks. In Montreal, Toronto and other cities union officials have taken definite steps, and in the former city there are already indications that efforts will be made for a test of strength.

What would the situation be in the event of a strike? Strikes of policemen, firemen and other public servants have been experienced. A strike of bank clerks would likewise impair an important public service.

The matter is discussed in an article on page nine of this issue and the views of the general manager of one of the banks are given.

STATES RESUMING TRADE WITH GERMANS

Volume of Business is Beginning to Assume Important Proportions

By Special Representative.

NEW YORK.—The United States has resumed trading with Germany on a large scale. Exports to Germany for the first ten months of the year totalled $52,420,095, of which $20,663,521 was exported during October. To the end of September imports valued at $2,757,179 had been received in the United States from Germany.

Trade relations between the United States and Germany were resumed in July of this year, but it has only been within the last two or three months that the trade has shown signs of attaining any volume.

WHAT CANADA SPENT ON THE GREAT WAR

Total of National Expenditures to Date Will Run to Over $1,570,000,000

OTTAWA.—Definite figures showing just what the war cost Canada, and particulars as to what the money was spent on, have never yet been published in detail, but they are now available. Up to the end of March, 1919, Canada had spent in all on the war the sum of $1,323,793,312. Since that time during the present fiscal year about $250,000,000 additional has been spent. The war expenditure by years has been as follows:

1914-15	$ 60,750,476
1915-16	166,197,755
1916-17	306,488,814
1917-18	343,836,801
1918-19	446,519,464

Some of the items on which this expenditure has been made are rather astonishing in their totals. The three biggest items, naturally, are pay and allowances, over $725,000,000; maintenance in France, $182,500,000; and separation allowance, over $150,000,000. Particulars as to the chief items are as follows:

Pay and allowances	$726,603,312
Maintenance in France	182,500,000
Separation allowance	105,634,243
Clothing	42,773,348
Boots	13,893,838
Necessaries	7,053,135
Outfit allowances	7,315,319
Saddlery and Horse equipment	3,186,989
Motor trucks, etc.	10,920,954
Accoutrements	5,276,959
Binoculars, etc.	1,179,492
Drugs and surgical instruments	5,571,672
Dominion arsenal, Quebec	4,444,591
Dominion arsenal, Lindsay	1,944,008
Dominion Cartridge Co., ammunition	4,461,207
Ammunition from other sources	4,614,905
Ross Rifle Co., rifles, etc.	8,871,301
Dominion Rifle factory	178,375
Machine guns	4,440,943
Vickers, Ltd.	365,000
Travelling and transport: ocean	22,708,527
Travelling and transport, land	25,962,845
Forage and stabling	4,910,427
Pay, etc., of censors	578,570
Pay civil employees	12,961,588
Rent, water, fuel and light	8,233,029
Stores (furniture, etc.)	22,841,199
Engineer services	9,565,620
Recruiting	259,875
Telegrams, etc.	2,182,228
Printing and stationery	3,429,071
Conservancy and contingent	1,521,765
Remounts	8,538,028
Customs dues	1,080,933
Camp Borden	537,164
Lindsay arsenal site	26,657
Lindsay construction, etc.	1,514,734
British recruiting mission	1,765,891
War service gratuities	45,764,367
British and foreign	1,002,134
Building, Long Branch and Camp Borden	500,000

Approximately 100,000 factory workers were idle in Detroit on the first day of a half-time working schedule adopted by a number of the larger manufacturing plants as a coal conservation measure.

ENGINEER AGAINST LONDON-TORONTO BECK HYDRO LINE

W. H. Breithaupt, C.E., of Kitchener, Offers Criticism of Radial Schemes

HAMILTON TO ELMIRA

Shows This Project Would be a Big Money Loser on Basis of Results of London and Port Stanley

At the Hydro-radial meeting in Kitchener this week some very practical criticism of certain business features of the Beck schemes as they affect both that city and the province as a whole was offered by Wm. H. Breithaupt, C.E., a well-known engineering authority, who is a M.Inst. C., M.E.I.C., M.Am. Soc. C E. and M.Am. Inst. Cons. En'grs., who spoke of the futility of the London-Toronto fourth line project of the Commission. No independent consulting railway engineer could be found to support it, he declared. His figures, based on Hydro estimates for the Hamilton-Elmira line, indicated an annual profit for a number of years at least of $180,000 to meet the charges on an investment of $6,500,000—interest alone at 6 per cent. would be $390,000. Regarding this Hamilton-Elmira line he submitted:

Total cost	$6,530,659	
Gross receipts from operation	971,247	
Operating and maintenance	568,370	(58½%)
Annual total interest pledge for 10 years	326,533	
do., for Kitchener	77,168.77	
Thereafter for 40 yrs., Kitchener	89,699.66	

The total mileage is not given, but cost, including equipment, appears to be about $100,000 or over per mile.

The total gross receipts for the year ending June 30th, 1919, of the Grand

Continued on page 16.

WHEN ROBERT HOBSON WAS LIEUTENANT-GOVERNOR

Robert Hobson, president of the Steel Company of Canada, can always be depended upon to tell a good story, but he sprung something a little different at the meeting of the directors of the Toronto General Trust Company this week. After Lieutenant-Governor Clark had been given a rousing reception by his fellow directors and congratulated on his appointment, Mr. Hobson produced a newspaper clipping from the Ottawa *Journal* showing an excellent two-column likeness of himself, and described as the new representative of the Crown in Ontario. It was generally conceded that Mr. Hobson was not without claims to such high office, but that he would have to have stronger support than newspaper clippings.

RADICAL SUGGESTIONS ARE A STEP BACKWARD—Ole Hanson

Without individual reward for individual incentive and individual punishment for individual transgression, there can be no civilization. That is Ole Hanson's answer to those who denounce what they call "capitalism." At New York recently he said:

"When a man has been pointed out as a capitalist it has come to be a matter of derision, and the time has come, it has seemed to me, when the people of this country should be made to understand that our Government, our institutions, are capitalistic institutions; and capitalism does not mean that the Government is run for the benefit of capital or for the benefit of property, but it does mean that the fruit of a man's toil is his.

"A capitalistic form of Government may sound bad to some of you men; capitalism may sound bad to you; but I am here to say to you that after reading history from boyhood I mind that until this individual reward came as an individual incentive, until the time came when individual punishment came about because of individual transgression, there was no civilization, there was no comfort, there was no peace, there was no liberty, there was no freedom, there was no health or happiness on the whole globe. Every single form of Government that is offered to supplant our form of Government is a step or many steps backward, and not one forward.

"I note that in the note or message that was handed out over the signature of President Wilson, he said, 'Repression is the speed of revolution,' insinuating perhaps that in the fight that is being made against the Reds in this country we should be careful not to hurt their feelings. I am here to say to you that repression may be the speed of revolution, but self-preservation is the first law of nature. When a burglar is in my house I am not going to find fault with the methods that get him out of my house and into jail.

'If a guest comes to my house and puts his feet on the table, spits on the floor, insults my wife, preaches free love and raises hell generally, I am going to use force to put that man out of my house."

BIG AMERICAN INTERESTS ARE LOOKING TO CANADA

New Ontario Government Will Have an Opportunity to Counteract a Bad Reputation for Confiscatory Legislation

American financial interests are at present taking a live interest in Canada, according to Dr. J. Murray Clark, K.C., who has returned after spending some weeks in New York; but the regulating factor as to the amount of capital which will come to this country from the United States will, undoubtedly, be the attitude which is taken towards vested interests. Dr. Clark has been consulted by some of these big interests which are considering Canadian investments, on points of constitutional law bearing on private rights in relation to present and future investments here. He finds that the treatment of pioneer investors in Niagara enterprises, the attitude of the legislatures in regard to the status of mortgages and other evidences of legislative action of a confiscatory character, have had a far-reaching effect upon the views of people living under a constitution which absolutely protects the property of individual or corporation against confiscation without adequate compensation, and against taking property except by due process of law. However, he is convinced that at this time evidence of sincerity in giving reasonable protection to investors' rights in the future would do much to remove the hesitancy which now exists in regard to opportunities for investment in Canada.

The outcome of the Ontario elections has been regarded with live interest by American financial interests. It has, to some extent, counteracted the effects of confiscatory legislation in the past. A farmers' Government is regarded as a comparatively safe Government from the standpoint of constitutional rights. Being representative of vested property rights in the rural communities, it is a Government which they believe, should effectively counteract the Bolshevik tendencies which are to-day such a serious menace of the foundations of the whole social and economic system of world democracies.

The defeat of Sir Adam Beck in his own constituency in the provincial elections has also aroused a great deal of interest. However, the conclusion that this represented a change of public opinion in regard to Hydro policy in the treatment of private interests which has been reached in some quarters, involves an optimism regarding the situation which cannot be said to be borne out by first-hand observation. Dr. Clark was able to explain that the result at London was only local, and reflected the attitude of the majority of the people of that riding only. It can not be regarded as indicating a change of opinion by the people of the whole province. That will come eventually, as Dr. Clark and other close students of the situation believe; but, unfortunately, it may require a stern experience with the inevitable consequences of unsound finance and violation of economical laws to bring it about. What to some Americans appeared as a defeat for Sir Adam, as the head of a popular provincial enterprise, was actually the defeat of Adam Beck on local and personal issues; the Hydro chairman is still an idol to the people of the province. as a whole.

So far as the general movement towards Bolshevism in the United States and Canada is concerned, Dr. Clark reports that the opinion of the American students of the situation is that the term of its popularity has not yet been run, and that it is still a serious menace. The steel strike is being successfully negotiated, and serious trouble in the coal fields has been avoided. But so long as unprincipled labor leaders can continue to make more money for themselves in Bolshevik circles than as officials of the old-fashioned unions, or by honest production, Bolshevism is a force which must be contended with, prominent business men believe. The death-blow of Bolshevism will be dealt by the labor people themselves when they realize, as they soon will, that they are being misled by selfish, self-serving demagogues.

Embargo Not the Solution of the Milk Supply Problem

Canada Cannot Afford to Restrict Shipments of Home Products—Greater Production is the Only Effective Way of Meeting Shortage

By F. M. CHAPMAN Editor "Farmers' Magazine"

A statement from Winnipeg, that the Board of Commerce had advised an embargo on the export of dairy products, in order to relieve a milk shortage in that city, deserves more than passing attention. An embargo on exports ought to be the last thing any country with a two-billion dollar war debt ought to consider. Such a debt means that every citizen of this young country must pay over $13 in interest charges alone, and public debts are paid by exports. The more business that is being done, the easier the burden falls upon any and all.

Over half Canada's exports are made up of agricultural products. An embargo on any one of these acts immediately to curtail its production. It may not be apparent to-day, but the operation of the law is as sure as fate. The action of the board in the matter of hides should have shown observant statesmen how embargoes work. The farmer, or real producer, is sure to be hampered.

Production The Answer

The real trouble lies in that there are too many people consuming and too few producing. The proposals of the Board have generally worked to aggravate this situation. As Dr. Tolmie, the Minister of Agriculture, said at Guelph, "If there is so much profiteering in the business of dairying, why do not people get out at it?" If babies and women are dying, or our "human asset is depreciating," it is a matter for the ones in authority to succor these "assets" until society can be remade.

A much better solution emanates from J. H. Evans, Deputy Minister of Agriculture for Manitoba. He says that the average production of the cows in that province is about 3,500 lbs., while there is a possible production of 10,000 lbs. Encouragement by Winnipeg and Manitoba of milk production and big records would work out to the advantage of the citizens.

Under the present situation, it would have been a better move for the Board to advise a temporary municipal plant where the poorer citizens could buy milk. It would be infinitely better than cutting off our exports when we have anything to export. Depress agricultural production any further and we will have all of the human asset on the downward grade.

SUPPORT OF WAR BOND PRICES HAS BEEN WITHDRAWN

Readjustment in Market Follows Action of the Committee

EXCHANGE SITUATION

Liquidation in Foreign-Held Canadian Securities With Canadian Pacific Chiefly Affected

The event of the week in the investment markets has been the withdrawal of support by the "committee" from the Government war bonds, with the exception of the last issue and the short terms. Exchange was also an unsettling factor with ready sales of C. P. R. and other securities in foreign hands. The withdrawal of support from the Government issues was followed by a decline in values, but there was no very general liquidation. For the time being there appears to be a better demand proportionately for the short term than the long term bonds, although it is the latter which have been cut loose. However, it is understood that there will be a limit placed upon the downward movement by the application of the same measures as have served up to this time.

With the last issue protected by the "committee" at par and interest, some readjustment of values on the outstanding issues was not unexpected. Apart from the large holders who are affected to a considerable extent by the income tax feature the present prices still offer an opportunity to liquidate and re-invest in the new issue with an advantage in realized profits. There was no evident effect on the general bond situation, which has lost a measure of the uncertainty which prevailed when it reopened after the Victory Loan and has been strengthened by the demand which developed for the recent issues of Ontarios, New Brunswicks and Torontos. Following are some comparative quotations showing the effect of the new conditions for Government issues:

	Close Dec. 4	Close Dec. 9	Close Dec. 11
VICTORY LOANS			
1922	100¼	100¼	99⅛
1923	100⅛	100¼	99⅛
1927	102⅛	102⅛	101⅝
1933	103½	103⅝	101½
1937	104¾	104½	103½
WAR LOAN			
1925	97¾	97¾	97
1931	98¾	98¾	98¾
1937	99¾	99¾	99½

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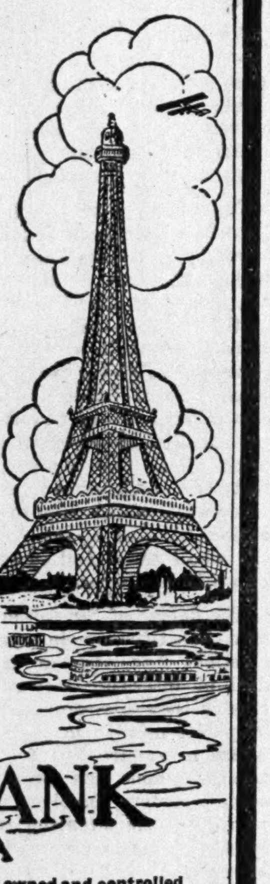

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LONG TIME CREDIT TO BOOM EXPORTS OF UNITED STATES

President of Manufacturers' Export Association Points Out Needs

CONDITIONS IN EUROPE

An Industrial Revolution in Great Britain — Germans Ready and Willing to Go Back to Work

Before a conference of manufacturers at Chicago, W. L. Saunders, of New York, president of the American Manufacturers' Export Association, declared that the granting of long-term credit was the only means whereby the United States could carry on an export trade with Europe. He believed that even this would be only a temporary expedient and that in the end American exporters must receive either gold or commodities. Burwell S. Cutler, former chief of the Bureau of Foreign and Domestic Commerce, who has just returned from an extended trip to Northern Europe. advocated the granting of long-term credits as the only means of breaking the commercial deadlock.

From first-hand knowledge, Mr. Carter discussed in an interesting way the labor problems of America and the labor conditions as he found them in Europe. In England, he said, the paramount issue was joint control of manufacturing properties and the relations of capital and labor were undergoing an actual revolution. Labor was demanding higher wages. housing improvements, shorter hours, the dictation of shop rules, and physical conditions and joint control in general management. As a measure of the increase of wages in England, he submitted several wage bills showing that the wages of milliners and skirt makers had tripled from 1906 to 1919, and that in the engineering industry iron moulders were getting from 70½ shillings a week at Leeds to 72 1-3 shillings a week at Glasgow for a forty-seven hour week, as opposed to 37 cents an hour earned by American moulders, while smiths and pattern makers were earning about 70 shillings a week, as opposed to about 36 cents an hour received in America in these trades. Mr. Cutler described the general situation as hopeful.

"The question of sufficient raw materials to keep industry going at anything like a rate adequate to the minimum of current needs brings one face to face with the problem of credits. Individual banks and groups of banks located in the several smaller countries to the north of Europe have tried to answer requirements by the employment of barter in raw materials for finished products; that is, they are trading bales of cotton and other fibre for equal value in textiles to be returned at a future date carefully specified.

"The amounts implied are altogether too small and the process is a slow one of waiting for finished goods before further consignments of raw materials are handed over.

"Further difficulty in securing what is needed for production is found in the prohibitive cost of materials which originate in creditor countries, where currencies have a value tremendously out of proportion to the value of currency in debtor countries. In addition to the excessive overhead of transportation there is also the cost of converting dollars into marks, so that we have, at an exchange rate of 3 cents a mark, a total c. i. f. value of 1,000 marks a ton, as compared with the pre-war price of about 400 marks."

Conditions in Europe

French labor was described as maintaining its high mark in efficiency, with the standard trades inclined to get to work again. In Germany, the people were showing a disposition to get back to work. These sturdy and somewhat stolid people seemed to want nothing so much as steady employment and calm homes where they may rule and be ruled. Further, regarding the conditions of the German workers, Mr. Cutler said:

"The English workman and his employer together are working out a new industrial relation," said Mr. Cutler, "a new type of joint responsibility as between men of the same race, the same nature, the same thousand years of history. They are homogeneous and they seem to understand each other at bottom. The truth is, I expect to see come out of England a new plan of industrial co-operation that will rank with Magna Charta, the establishment of Parliament, the right of habeas corpus and like instruments of human advancement. And it may all be the more sound for the unconscionably long time which these Britishers take to do it."

The Question of Credits

Taking up the question of credits in relation to supplies of raw materials and other phases of trade and industry, Mr. Cutler argued for long-term credit.

"At present he and his family are in severe straits because his wages have not risen in proportion to living costs.

"Many competent judges are convinced that he can and will perform swiftly and adequately the heavy labor of rebuilding continental Europe if he has the materials to work with.

"The loss of 2,000,000 men by death and the disablement of 1,500,000 more during the war have not, in the estimation of German industrial leaders, curtailed the ranks of technical labor. That kind of labor was largely 'reclamirt'—reclaimed—from the ranks of factory directors who could show contracts for war supplies.

"It may be said that trade unionism has not claimed the allegiance of German labor in preference to loyalty for the fatherland. Patriotism is still uppermost and all they ask is a chance to pull their country and its people out of the slough of despond by hard work, sixty hours a week if necessary. But to do it food is requisite, food at once to the value of at least $100,000,000, in order to keep them alive until late spring.

"Factory organization has stood the shock of war better in Germany than any other European country. We find to-day not only the same managing directors and shop foremen in their old places, but also a major part of the former labor in each plant. The pitiable loss of life among the young business men of England left thousands of vacancies in business organizations."

HIGH SUGAR PRICES ARE TO BE EXPECTED

Control Will be Withdrawn in States Jan. 1 and Sharp Bidding is to be Expected

The decontrolling of sugar in the United States, which will become effective on Jan. 1 with the lapsing of the Food Control regulations, will unquestionably have a very marked effect on sugar and sugar prices especially as they apply to Canada. It is pretty generally agreed that the American refiners as a rule have not purchased their necessary supplies for 1920, and that therefore, with the opening of the new crop, there will be keen bidding for available stocks; also that with the price limits that have prevailed in past years removed there may be expected to be a sharp upward trend in prices. A good deal of capital has been made of the largely increased estimated yield of the Cuban sugar plantations, but while this is a fact it is offset by failures in other sugar producing sources. With the old crop practically gone and the new still upward of a month away, the stocks available in prospect have been depleted to the extent of one and a quarter to one and a half million tons under contract to European countries and the Far East, and to a lesser extent to this continent. Roughly speaking, a third of Cuban crop, which is the big factor in the sugar market, has been contracted for and the bidding of refiners has hardly commenced. There was a time when this crop could have been purchased at 6½ cents a pound, but since that time the Cuban planter has had a change of heart. He realizes that he has things his own way, and even under the comparatively limited demand due to the American sugar control regulations, the price has advanced to 8¼ cents a pound. Considering that during the past season Canada had used only 68,940 tons of Cuban sugar or something under one-fifth of her total consumption, this would not appear to be a serious factor for the Canadian refiner but by the very nature of the dominance of the Cuban influence in the sugar market, no matter whether Canada buys from Jamaica, Bahamas, Grenada or Peru, she has to face a market based on Cuban conditions.

While there have been sugar shortages in certain localities in Canada, it has not been as a result of any actual shortage of supplies. The consumption of sugar has never been as extensive in Canada as it has been this year. Even in Winnipeg, one of the localities that suffered from the shortage this year according to the statement of W. F. O'Connor of the Board of Commerce, the receipts of sugar this year have been 75 per cent. in excess of last year's consumption. In Canada there has been an enormously increased consumption limited only by local shortages, while in the United States there have been restrictions on consumption for some time past.

EIGHT BROKERS GIVE FIFTY PER CENT. BONUS

McDougall and Cowans Mark Ending of a Very Successful Year

MONTREAL.—A special Christmas bonus of fifty per cent. of their yearly salary has been granted to their employees by the brokerage firm of McDougall & Cowans, with headquarters at Montreal and a number of branches in Canada, including Toronto, Halifax, Quebec, Ottawa, St. John, and Winnipeg. The year just drawing to a close has been one of the most successful in the history of the brokerage houses in Canada, and house after house has found it difficult to keep up with the growth in business. Staffs have been increased and work has been carried on at nights and on holidays in an effort to keep pace with the business that is offered. McDougall & Cowans are now building a new office on the corner of St. James and St. Francis Xavier, in Montreal, which is expected to be one of the most handsome and well equipped offices in any city of its size on the continent.

PROFIT-SHARING AS ENDORSED BY GEO. W. PERKINS

Practical Ideas of a Leading Banker of United States

BUILD UP BUSINESS

Would See That All Profits Are Left in Business Long Enough to Insure Its Growth and Stability

By GEORGE W. PERKINS.

A good many years of actual experience have made me very optimistic regarding profit-sharing plans worked out along the following lines:

First: Every business has, first of all, to earn operating expenses, depreciation, and fair returns on honest capitalization.

Second: I believe that every business should consider that the compensation paid employees is for the purpose of earning a sum of money sufficient to pay the above-mentioned items.

Third: I believe that any profits over and above such sum should, on some percentage basis, be divided between capital used in the business and the employees engaged in the business.

Fourth: I believe that in neither case should these profits be immediately withdrawn from the business; that they should be left in the business for a reasonable length of time, to protect and increase its financial strength and safety; that, in the case of capital, its share of these profits should be carried to surplus; that, in the case of employees, their share of these profits should be distributed to them in some form of security representing an interest in the business, and that each employee should be required to hold such security for a reasonable length of time, say three to five years.

Fifth: I believe that the employees' share of these profits should be alloted to them as nearly as possible on the basis of the compensation they receive. Up to date, this has proved to be the best method.

Results Attained by a Proper Plan

Now, let us see what such a plan means: In the first place, it means that under such an arrangement each employee becomes a working partner in the business.

He is on the same footing as the financial partners, for if the concern is a partnership with, say, four or five members, the partners themselves are drawing out each year what, in a way, might be called salaries, viz., approximately the amount of money necessary to meet their general living expenses, leaving their surplus profits in the business.

Any partnership or any profit-sharing plan that divided up the profits and withdrew them in cash at the end of every year could not last very long.

Profit-Sharing That Has Been a Success

Some companies with which I am connected have realized the trend of the times and have for some time been practising profit-sharing along the lines I have indicated.

They believe that profit-sharing plans based on such principles would so knit their vast organization together, and would so strengthen and develop the esprit de corps, as to make it possible for the companies to increase their business and their earnings; and they were willing to share this increased success with their employees.

So far they have every reason to congratulate themselves on the results.

In all parts of their business, at home and abroad, in the office force, in the factories, in the sales department, everywhere, the individual employee's interest in the business is much greater than formerly.

The saving in waste everywhere is noticeable.

The employees are vieing with one another more and more to improve their respective and other branches of the business.

All this means success for the company, profits for the stockholders, extra compensation for the employees.

It means getting men on salaries and wages to have a live, keen interest in the management of the business.

It means getting an organization of men to work as real partners.

It means recognizing the right of the employee to a fairer share of the earnings of the business in which he is engaged.

In short, it means co-operation that is complete, in that it benefits stockholder, employer and employee.

While all this can more readily be accomplished in a large business, it can also be successfully accomplished in a small business if approached in the proper spirit; and if applied generally it would remove to a considerable degree the dangers that are menacing modern industry and which are largely caused by the feeling on the part of the masses that, through wages, they are not getting their proper proportion of the money earned in a given industry.

An industrial democracy of the most ideal sort is found in true profit-sharing; an industrial democracy that makes real partners of capital and labor, and yet preserves the right of private property; that preserves and promotes the great business asset that comes from individual initiative that retains the capitalist's incentive to enterprise, while giving the worker a new inspiration for effort that humanizes large organizations of men; that promotes good will and industrial peace.

All these things this country of ours needs now as never before.

The only factor missing is that of close co-operation here at home among ourselves.

It seems inconceivable that we will fail to realize where our weakness lies and fail to adopt the one and only remedy for it.

In the strenuous competition with the rest of the world that this country is on the eve of facing, could we have a stronger weapon than complete co-operation between capital and labor at home?

SOLVING PROBLEMS OF THE FAR NORTH

Questions of Reindeer Meat Supply, Aeroplane Police, Etc., to Be Considered

By Resident Representative

OTTAWA.—About the middle of this month the Government proposes to summon from all quarters men who have intimate knowledge of conditions in the far north. The subject to be primarily discussed is the possibility of increasing the country's meat supply from increasing the herds of musk-ox, buffalo, reindeer, and other wild animals fit for food; but in connection with the meeting it is understood that advantage will be taken of the presence at the capital of so many frontiersmen to discuss other matters connected with the development of the Northern country.

The Chief Commissioner of the Mounted Police, for example, is known to have great faith in the possibilities of making use of the airship and the aeroplane in connection with "the long patrol" in Canada's northern hinterland. The recent successful flight across the Atlantic of machines of both the above types has been sufficient to illustrate the practicability of the proposal, put forward in Parliament last session by the member for the Yukon, that the Yukon and Mackenzie valleys could be navigated in the same manner.

Judging from the performances now being made by the R-33 and other airships, the round trip from Edmonton to Dawson City could be made in about 36 hours. She could do the journey from Edmonton to Herschell Island, (the most northerly post of the Royal Canadian Mounted Police,) which is perhaps the worst of the northern patrols, in fifteen hours, the distance being about 1,300 miles. It took the gold-seekers who went into the Klondike during the rush of 1897 just eighteen months to do the trip.

All along the Mackenzie River there are Hudson Bay forts established, some of them for over a century, which would make suitable stations for an air service. From Edmonton the airship could make Fort Chippewyan in six hours; Fort Reliance, five hundred miles down the Mackenzie, in eight hours; Fort Simpson, in ten hours; Fort Norman, in 13 hours; Fort Good-hope, in 16 hours; and Fort MacPherson, 1,300 miles, in from eighteen to nineteen hours.

The air route outlines could be operated the year around. There are few storms in that country, and the cold is not intense. The question of a railway to the Yukon has been frequently discussed. In 1897, a survey of an all-Canadian rail and water route up the Stickine River, and across to Lake Teslin, down the Hootalinqua and into the Yukon was surveyed, and a bill introduced for its construction by Mackenzie and Mann; but the Senate killed the proposal. Compared with a railway, an air service would be trifling in its cost.

It is estimated that there are nearly a million miles in this part of Canada which have never been explored, but which have enormous possibilies and which is owned and controlled by the Federal Government.

ZONE SYSTEM FAILS

Six Weeks' Trial Enough For Big Traction Company

NEW YORK.—The zone fare system has been given a trial by one of the largest traction companies in the country and according to its officials has not realized the expectations of its sponsors. Public Service Railway Co., traction subsidiary of Public Service Corporation of New Jersey, operating 860 miles of track throughout the state, after a trial of the zone system has been forced to abandon it. While it is true that company operated under the new system for only six weeks, according to Thomas N. McCarter, president of the company, further trial would have been ruinous.

STILL ANOTHER INVESTIGATION OF THE PACKERS

Question of American Interest Now Seems to be the Reason

THE COMPANIES' CASE

A Strong Position Weakened Because of Attitude Taken in Regard to Public Opinion

By J. L. RUTLEDGE, Editor "Canadian Grocer."

The packing industry is in for a new investigation. Hon. W. E. Raney, newly appointed Attorney-General of Ontario, has requested J. S. Lundy, K.C., of Toronto, to make an investigation into the operations of the industry in the Province. The investigation is evidently one due to the impression that American interests are gaining control of the Canadian plants, indeed a press despatch goes so far as to claim that all Canadian packing plants are now controlled in the United States. This is of course an absurd contention, based no doubt on some recent amalgamations of Canadian and American packing interests, the latest of these being that of the William Davies Company. Unquestionably, American money has found its way into that concern and Americans are interested in its operations, but while E. C. Fox remains as president, and probably the largest single shareholder, and while the plant on this side of the line is so materially more important than that on the other side, it is rather absurd to suggest American control. As a matter of fact, indications point much more clearly to the assumption that the William Davies Company is reaching out into the American market.

Most Canadian packing plants have had buying organizations and processing plants in the United States for years past, this has been one of the factors of the successful operation of their business. Large numbers of American hogs have been exported from Canadian packing plants, and several packing house products such as lard and mess pork have been consistently imported from the United States, before there was any suggestion of American dominance in the industry in Canada. The American connection has been the necessary development of large business.

Some Canadian plants are of frankly American origin, they are on the Canadian market because it is a profitable venture. Other large American packers are entering the field for the same reason, and because Canadian bacon and packing house products have won a generous measure of appreciation on the export market. There are, however, Canadian plants that are unquestionably Canadian in their control. That they have American affiliations has absolutely no bearing on the question, as well say that some of the large American plants are controlled in Canada because they have plants here. The ramifications of the packing industry are widespread, and the growth of the business necessitates a persistent development.

This persistency in investigations that prove nothing, and that would be of little real value if they did, is a serious matter. If there had been anything out of the ordinary to unearth, surely the numerous investigations of the past, none of them conducted in the most friendly attitude toward the packers would have brought it to light. The persistence in this unnecessary prying is a costly business. It also has a tendency to cast an aspersion on the industry, suggesting some manner of illegality which, even were the suppositions correct, would be in no wise justified. More than that these investigating commissions are beginning to be an almost unbearable nuisance, that cannot be justified by a single constructive result achieved.

There is this much, however, that can be said against the packing industry, they have been almost culpably blind to the necessity of placating public opinion. They have had charges laid against them, and have adopted a policy of sitting back and saying nothing. Scarcely realizing that the day of the lofty aloofness of business has passed, and a business that is dependent on public support owes it to itself and to the public that the public should be made to understand the truth. There are good and sufficient reasons why Canadian companies should have American affiliation but the reasons are largely known to the heads of the plants interested and to no others. Therefore it must be admitted that burdensome and costly as these investigations are, and costly as they are, the packing industry has in a measure at least brought them on themselves.

EXPORT DEMAND FOR WHEAT

Is Taking Care of All Business Being Offered

The export demand for wheat continues to be a steady factor that is equal to taking care of every item of business offering. This is comparatively light owing to the difficulty in getting grain forward for some of the large mills in the East. So good is the export business that the Canada Wheat Board has been making other purchases to meet the demand of the outside market, in addition to the bulk orders given the mills a few weeks ago.

There is some suggestion that the return of the United States mills to the export market will be a large factor in curtailing the demand for Canadian flour, as the American price is considerably less than that asked for the Canadian flour. The grade offering is winter wheat straight, that does not compare in any respect with the strong Canadian flour, and even at a lower figure it is not likely to seriously curtail Canadian business. There is also developing a fair demand for Canadian flour on the United States market, but no business has been done as yet owing to certain licensing restrictions imposed by the Wheat Board. Generally speaking, the mills do not expect that this item will mean much for Canada

NEW CHAIN STORE SYSTEM IN CANADA

L. R. Steel Company Will Start International Project Early Next Year

A new low price chain store is to be opened in Canada early in the year, simultaneously with the inauguration of a similar chain in the United States. The Canadian Company is known as the L. R. Steel Company and has purchasing offices at the present time in the Royal Bank Building, Toronto. The United States chain will be known as the L. R. Steel Company, Inc., and the financial management will be vested in this branch of the concern.

The plan of the new company is to follow the general system of operation of the stores at present operating under the 5c and 10c system, but to enlarge this policy so that the store will deal in commodities priced from 5 cents to a dollar. The contention of the management is that war conditions have brought about a state of affairs where it is next to impossible to supply certain lines of goods at the 5, 10 and 15c figure, and as a result these stores have been compelled to drop some of their most normally profitable lines. The new limit, they contend, will permit the retention of these lines, and will at the same time permit a further elaboration of the variety of goods to be sold.

It is proposed to open some 100 stores in Canada, in cities and towns of over 6,000 population.

ARE WHOLESALERS PLANNING MERGER?

Persistent Rumors of Joint Buying Arrangement—James Hardy Interviewed

Efforts, which have been renewed recently, to organize a central buying bureau for the wholesale hardware trade, more or less along such co-operative lines as are followed by the United Farmers, have given rise to rumors that the amalgamation of the various wholesales in Montreal is contemplated.

Persistent rumors have been coming from Montreal regarding a hardware merger. Investigations by "The Financial Post" failed to elicit any authoritative information from the persons mentioned in connection with the matter. The heads of the various wholesale houses were decidedly non-committal.

"I have no statement, whatever to make," said James Hardy, secretary of the Canadian Wholesale Hardware Association, when asked regarding the matter.

"What business is it of the retailers, anyway, if the wholesalers did contemplate any consolidation project?" he continued.

It was suggested to Mr. Hardy that any projects which the wholesalers might plan would affect the hardware business as a whole. "Show me where it affects the retailers in any way," said he. "I have no statement to make."

A number of the firms, according to information obtained, would not favor any central buying plan, for the simple reason that they think no individual buyer would be competent to handle the matter. Their own buyers, they believe, would very often be able to buy at far better figures that could be obtained through a central purchasing department, and as this would involve very large sums of money, they would effect a great saving.

OBJECT TO SALE OF HYDRO-POWER FAR BELOW COST

Fort William People Fear They Will Have to Bear Deficit

DELEGATIONS HERE

History of Negotiations With Great Lakes Pulp and Paper Mills Unfolds a Record of Unbusinesslike Methods

Delegations from both Fort William and Port Arthur are in Toronto to interview the Ontario Government in relation to the controversy now being fought at the head of the lakes over the Great Lakes Pulp and Paper Mills, Ltd.

The Fort William delegation is here to ask the Drury Government not to carry out an agreement reached between Sir Adam Beck and the Hearst administration on the one hand and the pulp company on the other hand, under which the Government agreed to supply power to the company at $17.50 per horse-power, admittedly much below cost. As Fort William becomes liable for its share of any deficits incurred in the operation of the Cameron Falls Hydro-Electric development scheme, the town is naturally opposed to the Sir Adam Beck scheme of selling power at less than cost. The Port Arthur delegation is pressing for the continuance of the Government's agreement.

How Situation Developed

The history of the negotiations between the pulp company and the cities at the head of the lakes is an amazing one when viewed from a business standpoint, and illustrates to what lengths some localities will go to get industries to locate within their borders. Earlier in the year, the Great Lake Pulp and Paper Mills, Ltd., was about to conclude a power contract with the local power company for a large pulp and paper mill to be located at Fort William.

About last July, a Port Arthur delegation awaited on the Government and the Hydro, and secured a pronouncement from the late Government, that the pulp mills must buy Hydro power. The pulp and paper people then decided that they would go to a location to the north of Port Arthur, where taxes would be a minimum, to which site Port Arthur agreed to extend all its utilities some four miles, without cost to the pulp mill, give one fare to any point in Port Arthur, and other concessions. Port Arthur also used its influences to secure a rate from the Hydro of $17.50 per h.p., which was admittedly very much below cost. As the power is at present under course of development at Cameron Falls, by the Hydro, over seventy miles distant, and ultimate costs were unknown, and as Port Arthur would be purchasing all its power immediately, whereas Fort William would not take delivery for some six years later, both Port Arthur and the pulp mill would have secured their power considerably below cost, which losses would have accumulated and power costs would probably have to be adjusted upward about the time Fort William commenced to take power. Fort William was a guarantor of the Hydro development at Cameron Falls, and would have to bear its proportion of any losses that would accrue.

Fort William Objects

The Fort William people then petitioned the Government, drawing attention to its position, and the losses already existing in the operation of their local utilities, and pointing out that the proposed location tended to spread out and render such utilities more inefficient.

In the meantime, the Hydro have expended large sums of money on the Cameron Falls development. The pulp people cannot afford to go contrary to the Government dictum, that they must buy Hydro power, and yet if the cost of power and taxes, etc., as compared with other pulp centres, becomes prohibitive, there is a danger that the pulp mill will not go ahead at all. In this case, Sir Adam Beck and the two cities would be in an awkward predicament, with a large plant on their hands out of proportion to the available market.

As has been brought to attention in previous issues of THE FINANCIAL POST, there is a very evident necessity for the Drury Government to give the very closest investigation by outside accounting, engineering, financial and business experts, as to the Cameron Falls development, and its reasonable market possibilities.

Power Would Cost $27.50

An estimate of the probable cost of power to be developed at Cameron Falls places the annual cost at $27.50, or $10 per horse-power more than the price at which Sir Adam Beck has agreed to sell the power. This price assumes that a full load can be found for the plant as soon as it is ready for operation, which is very unlikely. Allowing for this and other factors, it is doubtful if power can be produced at less than around $35.00 per horse-power.

In the Fort William delegation are Mayor H. Murphy, Alderman C. Birkett and Alderman A. H. Dennis, Manager of Utilities A. L. Farquharson, and City Solicitor F. R. Morris. The Port Arthur delegation consists of Mayor Blaquier and I. L. Matthews.

The Canadian Milk Products Company, Toronto, that has now six factories in different parts of Ontario, producing powdered milk for domestic and foreign trade, is about to erect a new plant at a cost of $100,000. The exact location of this plant has not yet been decided upon.

THE FUTURE OF OUR SHIPBUILDING

Canada Can Play Big Part in Supplying World Shortage of Tonnage

OTTAWA.—The future shipbuilding policy is being looked forward to with interest. Hon. C. C. Ballantyne has no desire to resign his portfolio because he is genuinely interested in the work of building up a Canadian merchant marine; and he will probably propose some extension of his present policy, perhaps linked up with the naval program. Canada has discovered that she can build good ships. Considering the brief experience of Canadian builders, they have done marvels in this regard and the future of shipbuilding in Canada should be very great if the policy is carried on earnestly. The large amount of new British capital being brought into the Dominion Steel Company apparently has been attracted largely by the prospects which steel shipbuilding in Canada offers. Shipping men in the Old Country apparently believe that there will be a shortage of tonnage for a long time to come. The works of Sydney will shortly be in a position to supply all the material required; and Canada can compete in this respect with the U.S. as is shown by the fact that we are now building better ships here than they are across the border, and at a lower price per ton.

The British capitalists apparently think they should have a bonus if they are to engage in the industry extensively here; but some Canadian builders believe that they can carry on without it. The Coughlan Company of Vancouver, which has already turned out several eight thousand ton ships, and is likely to secure the Government subsidy for a dry dock on the Pacific coast, is said to be of this opinion.

LOAN COMPANIES DID GOOD SERVICE

How Needs For Funds For Seed Grain Were Met in Saskatchewan

REGINA.—The crop shortage in certain portions of the province in 1918 rendered some action necessary to ensure that the lands of farmers who were unable to procure seed grain for themselves should not go unseeded in 1919. In the fall of 1918 the Government entered into an arrangement with the loan companies in which these companies agreed to advance the required funds to enable their borrowers to purchase the needed supplies of seed grain. Legislation was passed at the 1918-19 session empowering the loan company or other mortgagee to add the amount thus advanced to the amount of the mortgage and to collect same from the borrower. Each farmer in need of assistance, who had given a mortgage on his land to a loan company, was required to apply direct to the said company, whereupon the company undertook to place the required money with a chartered bank in the municipality in which the farmer's land was situated. Councils of municipalities were advised that no seed grain should be advanced to any farmer who was in a position to obtain the required assistance from his loan company.

The information received by the Department of Municipal Affairs shows that with few exceptions the loan companies carried out the terms of the agreement entered into between them and the Government, and in this way rendered a valuable service to the municipalities and the province at large. Farmers against whose lands no mortgages had been registered, or who for one reason or another were unable to obtain the required assistance from the loan companies, were taken care of by the municipalities under the provisions of the Municipalities Seed Grain Act. Occupants of unpatented Dominion lands in need of seed grain relief were granted the required assistance by the Federal Government.

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FOUR NEW RECORDS

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By Resident Representative

	High this week.	Low of year.	Gain
Abitibi	200	48	152
Laurentide	255	192	63
Spanish, com. ..	81	17	64
Spanish, pref. ..	129⅞	64	65⅞

The buoyant market in the pulp and paper stocks this week was a feature of the trading. Spanish River by Thursday had reached a new high in the common of 81, and in the preferred of 129⅞. The highest last week for the common was 72½, and the highest for the year up to date was 73½. The lowest was 17, so that the advance over the low price of the year up to Thursday of this week was 64 points. The preferred reached the new high of 123 last week, and added nearly 7 points this week. The high for the year was 123 up to this week, and the low 64, so that the advance in the preferred was nearly 66 points, or a shade more than in the common.

In the case of Laurentide, the high up to date last week had been 247, but this week a new high of 255 was reached up to Thursday. The low of the year was 192, so that the present is 63 points advance for the year, or practically the same as that of Spanish River common.

Abitibi also went into a new high point this week at over 200. The high last week was 189, the highest for the year up till that time was 190, so that a clear gain of 10 points was reached this week. The low of the year was 48, so that in reaching double par Abitibi showed a grand advance of 152 points in the year, a record that no other stock on the Canadian Exchange has shown.

Thus, four new records in paper stocks were created on the Exchange this week, and nearly all the other paper stocks showed up strong. Riordon at 155, 4 points below its high, but still 4 points over the high of last week. Brompton and Wayagamack were stronger than last week, although neither one came up to the old high. These last three stocks, of course, do not rank as big "newsprint" mills, Riordon producing pulp alone, although of a very high grade, while Brompton has a good production of newsprint, but this does not constitute by far the greatest part of its production as is the case with the three mills first mentioned. Wayagamack produces Kraft paper, which is in good demand, but its production also does not rank in quantity with the big production of the newsprint mills.

Discounting the Future

The high prices to which these stocks reached in every case would appear to be discounting the future at a considerable distance. Spanish River, of course, pays no dividend, and by the end of the year will have 38½ per cent. arrears owing on the preferred. Laurentide is planning a division of its stock into three parts and it is understood will pay a dividend of 5 per cent. and a bonus of 1 per cent., equal to 18 per cent. on the present capitalization. Abitibi is paying 6 per cent. on the common stock while it sells at 200, but here again there is expected to be considerable increase in the rate paid common shareholders.

The future earnings and production, however, are influencing the heavy buying of these stocks, and mostly insiders. The exchange element, too, is counting very largely in their favor. It is interesting to note, with exchange at 10 per cent, that is, the premium for New York funds in Montreal on Thursday, the enormous extra profits these companies would secure because they were exporting 100 per cent. to 85 per cent. of their production. Take Spanish River, with 600 tons a day, selling at $90 a ton, as has been arranged for next year, giving a total daily production worth $54,000. Add 10 per cent. at the present rate of exchange it would give it a clear extra profit on this account alone of $5,400.

In figuring on future profits there should be taken into account also the fact that for next year the company is assured of an increase in the price it reecives for its newsprint of $15 a ton, namely $75 to $90. On a daily production of 600 tons this would mean $9,000 a day increase over this year's prices, and adding to this the $5,400 additional profit on exchange would make a daily increase in profits of over $14,000, which, for the year would run some $4,300,000 an almost incredible figure.

How It Works Out

Just how advantageous the exchange and extra price are to the others may be worked out on the basis of 200 tons a day Laurentide and 235 to 250 daily for Abitibi, or over 300 before the end of 1920. Price Bros. would have the benefit of some 300 tons a day.

That the price for 1920 may average well above $90 a ton is the latest information given to THE FINANCIAL POST. It is understood that the Canadian mills will not consent to making contracts at $90 for more than the first three months of next year, and that a revision of this price may result in a further advance.

ST. LAWRENCE FLOUR REACHES NEW HIGH

Various Rumors Attend Rise—New Year Best so Far in Company's History

By Resident Representative

MONTREAL.—St. Lawrence Flour Mills developed great strength this week, and by Thursday had risen to a new high, making a remarkable record in less than two years, running up from a low of 50 in 1918 to 143 this week, a gain of 93 points in about twenty months, for it was only last year that the stock was listed on the Montreal Exchange. Accompanying the rise were the oft-recurring rumors of a straight 10 per cent. dividend, a bonus and a merger movement. The officials of the company naturally refuse to discuss any of these points, but it is known that the company in the four months of their new fiscal year have done better than at any time in their history. Contrary to general expectations the export orders received by the company have come in steadily, and in larger volume than in the corresponding period of last year, and it is expected that these will last for some time to come, but how long, no one knows, as the European export business is altogether in the hands of the Wheat Board.

FAVORABLE FACTORS START QUEBEC MOVE

Stock Rose Several Points on Heavy Buying—Selling Megantic Line

By Resident Representative

MONTREAL.—One of the most interesting movements on the Stock Exchange this week has been that of the Quebec Railway, Light, Heat and Power Company stock, which went up several points. There had been rumors for months past that an effort would be made to have this stock follow the example of many others this year and make a very respectable move, but it had so many false starts that faith in it was beginning to wane. However, once it did start there was very heavy buying, three or four thousand shares at a single session being a common occurrence. The stock, however, had to face steady liquidation on the part of those who had held it for many years and who thought that if it rose to 24, 25, 26 or 27 it was a good time to get out in case it should drop again. As the week advanced it showed little signs of a decline, however, and each day saw it strengthened and reaching a higher point.

At a meeting of the board of directors held on Wednesday in Montreal, the sale of the Megantic and Lotbiniere line for the Government for $330,000, it is understood, was ratified. This is one of the auxiliary companies that Quebec Railway has been loaded up with, and the sale disposes of a liability that was not a very welcome one. The company has also got rid of the Quebec-Saguenay line and has only one other now, the Montmorency, which it is expected that the Government will also take over in due time. This would leave the company with its street railway in Quebec, its power plant, its gas service, and a number of power plants in the vicinity of Quebec, a much more "condensed" property than before. It is also in a much better position since the city council of Quebec increased its rates for street car fares and extended the time of the increased rates for gas.

DIVIDEND FOR TEMISK.

After Two Years' Lapse, Substantial Bonus Declared

At a meeting in Toronto yesterday, the directors of the Temiskaming Mining Company declared a dividend of 4 per cent. on the stock of the company. This makes a disbursement of $100,000. Temiskaming has not paid dividends since 1917, when 15 per cent. was distributed to the shareholders. As the stock was quoted around 50 cents on Friday, this makes a disbursement of 8 per cont. on the market value. The dividend is payable January 31, 1920, to shareholders of record of December 31, 1919.

SHERWIN-WILLIAMS DOING BIG BUSINESS

The Post-Armistice Depression, However, Affected Earnings for a Time

MONTREAL.—In his annual report to the shareholders of the Sherwin-Williams Company of Canada, Friday afternoon, the president, W. H. Cottingham, declared that since June last the company had had a larger volume of business than ever before, that all plants were fully employed and that the outlook for the new year was very promising. For a short time after the armistice, however, business had been dull, as it was in nearly every line, so that the later improvement did not make up. Even at that the turnover for the year exceeded the record figure for 1918.

Profits for the year ending August 31 last were only $990,919, compared with $1,162,957 in 1918. After deducting $125,830 for depreciation, $130,071 for bond interest, and $239,750 for preferred dividends, balance available for common was $495,268, compared with $680,841 last year, making earnings of 12.4 per cent. on common, compared with 17.02 per cent. last year. After allowance for war taxes on English and Canadian plants, $144,498; net surplus for year, $350,769; current assets, $5,803,846; and current liabilities, $2,220,080, leaving working capital of $3,683,766 compared with $3,802,847 in 1918. Surplus account and reserves now amount to $3,546,030.

Following are comparative figures of profit and loss account:

Profit and Loss

	1919	1918	1917
Earnings	$ 990,919	$1,162,951	$ 945,273
Less deprec'n..	$ 125.830	$ 121,023	$ 80,746
Less bond int..	130,071	128,581	133,092
Net income ..	$ 735,018	$ 913,346	$ 731,435
Less pref. div..	239,750	232,505	220,133
Balance	$ 495,268	$ 680,841	$ 511,302
Avail. for com.	12.4%	17.02%	12.78%
Less war tax, Eng. and Can.	144,498	94,257	*118,966
Surp. for year.	$ 350,769	$ 586,584	$ 392,336
Bal. on hand..	2,333,282	1,746,698	1,354,362
Surp. forward.	$2,684,051	$2,333,282	$1,746,698

*Donations, reserves, etc.

HIGHER DIVIDEND FOR STEEL CO. OF CANADA

Increase Not Unexpected Following the Rising Market For the Stock

The action of the market for steel of Canada has, to some extent, prepared the investing public for the announcement of the increased dividend this week. The market indicated that the good news had been discounted, but there was some slight reaction with realizing sales following the announcement.

The first dividend paid on Steel of Canada was in November, 1916, when a rate of four per cent. was declared. In March, 1917, a dividend was paid of one per cent., and in addition a bonus of one-half of one per cent., or a total of one and one-half per cent. (1½ per cent.) This suggested a six per cent. basis, and this policy was adopted by the company in September, 1917, when a straight payment of one and one-half per cent. was made. This rate of 6 per cent. was continued until the meeting on Wednesday, when the rate was placed on a par of seven per cent. for the year.

The earnings of the company, which, it is understood, will at least equal last year's, leave a good margin even after the seven per cent. is paid, since one year ago the earnings on the common stock were equal to 15.7 per cent. In 1917, the biggest year in the history of the company, 19.5 per cent. was earned on the common, compared with 18.4 per cent. in 1916.

ACADIA SUGAR'S ISSUE

The shareholders of the Acadia Sugar Refinery Company at a meeting yesterday unanimously passed resolutions authorizing the directors to issue new debentures to the amount of three million dollars and a corresponding amount of preferred and ordinary shares.

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DIVIDENDS DECLARED

The Toronto Mortgage Company

QUARTERLY DIVIDEND

NOTICE is hereby given that a Dividend of Two per cent., being at the rate of Eight per cent. per annum upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, together with a Bonus of One per cent., and that the same will be payable on and after

1st January, 1920,

to shareholders of record on the books of the Company at the close of business on 15th inst.

By Order of the Board.

WALTER GILLESPIE,
Manager.

Toronto, 4th December, 1919.

The Standard Trusts Company

DIVIDEND NO. 31.

NOTICE is hereby given that a Dividend at the rate of 9% per annum on the paid-up Capital Stock of the Standard Trusts Company has been declared for the half-year ending Dec. 31st, 1919, and that the same will be payable at the Company's offices in Winnipeg on and after January 2nd, 1920.

The stock transfer books will be closed from the 16th to 31st of December, both days inclusive.

By Order of the Board.

WILLIAM HARVEY,
Managing Director,

Winnipeg, December 3rd, 1919.

CANADA STEAMSHIP LINES, LIMITED

NOTICE is hereby given that a dividend of one and three-quarters (1¾%) per cent. on the Preference Shares of the Capital Stock of Canada Steamship Lines, Limited, has been declared payable January 2nd, 1920, to shareholders of record December 16, 1919.

By Order of the Board.

F. PERCY SMITH,
Secretary.

Montreal, December 8, 1919.

The Royal Bank of Canada

ANNUAL MEETING

THE Annual General Meeting of the Shareholders of the Bank will be held at the Head Office, 147 St. James Street, in the City of Montreal, on Thursday, the 8th day of January, 1920, at 11 o'clock, a.m.

C. E. NEILL,
General Manager

Montreal, December 1, 1919.

Accountant

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The number of oil companies organized during November was 141, their aggregate authorized capitalization being $490,760,000, representing a decline compared with September and October. This brings the total indicated investment in the petroleum industry during the first eleven months of the current year to $3,207,797,000, distributed among 1,448 companies.

The Canadian Crocker-Wheeler Co., Limited

DIVIDEND NOTICE.

THE Directors of The Canadian Crocker-Wheeler Company, have declared a One and Three-quarters per cent. (1¾%) dividend on the preferred stock of the Company for the three months ending December 31st, 1919, to shareholders of record December 21st, 1919. Also a dividend of One and Three-quarters per cent. (1¾%) on the common stock of the Company for the three months ending December 31st, 1919, to shareholders of record December 21st, 1919.

The stock books will be closed from the 21st to the 31st of December both days inclusive.

Checks will be mailed to shareholders on December 31st, 1919.

By Order of the Board.

H. C. HOWELL,
For Secretary-Treasurer.

St. Catharines, December 5th, 1919.

The Bank of Nova Scotia

DIVIDEND NO. 200

NOTICE is hereby given that a Dividend of four per cent. on the paid-up Capital Stock of this Bank has been declared for the quarter ending December 31st, and that the same will be payable on and after Friday, the second day of January next, at any of the offices of the Bank.

The Stock Transfer Books will be closed from the 17th to the 31st proximo, inclusive.

By order of the Board.

H. A. RICHARDSON,
General Manager.

Halifax, N.S., November 14th, 1919.

The Hamilton Provident and Loan Society

DIVIDEND No. 97

NOTICE is hereby given that a Dividend of FOUR AND ONE-HALF PER CENT., being at the rate of nine per cent. per annum, has been declared for the half-year ending December 31st, 1919, upon the paid-up Capital Stock of the Society, and that the same will be payable at the Society's Head Office, Hamilton, Ontario, on and after Friday, the 2nd day of January, 1920.

The Transfer Books will be closed from the 15th to the 31st of December, both days inclusive.

By order of the Board.

D. M. CAMERON,
Treasurer.

Dominion Textile Company
Limited

NOTICE OF DIVIDEND

A DIVIDEND of two per cent. (2%) on the Common Stock of the DOMINION TEXTILE COMPANY, LIMITED, has been declared for the quarter ending 31st DECEMBER, 1919, payable JANUARY 2nd, 1920, to shareholders of record DECEMBER 15th, 1919.

By Order of the Board.

JAS. H. WEBB,
Secretary-Treasurer.

Montreal, 17th November, 1919.

The Wabasso Cotton Company, Limited

DIVIDEND NO. 8.

NOTICE is hereby given that a quarterly Dividend of 2 per cent. has been declared on the Capital Stock of the Company for the quarter ending December 31st, 1919, payable January 2nd, 1920, to Shareholders of record at the close of business on December 15th, 1919.

By order of the Board.

S. B. CAYFORD,
Secretary-Treasurer.

Montreal, November 13th, 1919.

HOLLINGER CONSOLIDATED GOLD MINE LIMITED
(No Personal Liability)

DIVIDEND NO. 70.

A DIVIDEND of 1% upon the outstanding capital stock has been declared payable 31st December, 1919, on which date cheques will be mailed to shareholders of record at the close of business on 18th December, 1919.

D. A. DUNLAP,
Treasurer.

Dated December 9th, 1919.

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EXCHANGE DRIVES CANADIAN PACIFIC TO THE 1917 FIGURE

Lowest Since War Year Owing to Extensive Liquidation

GOOD FOR LONDON

Holders Overseas Get 24% Premium Owing to Exchange—No Relation to Value of Stock

By Resident Representative

MONTREAL.—The steady decline in the price of Canadian Pacific Railway Company stock this week, until by noon on Thursday it had touched 131, and later on in the afternoon dropped further to 126⅛, lower than at any time since 1917—when it went to 1254¼ at New York—and for many years before it, should yet cause no particular alarm among holders of the stock. Those in close touch with the company, when spoken to about this drop in the price, ascribed it entirely to the liquidation that has been going on amongst European holders of the stock and also Canadian.

This selling out of stock by holders overseas is very natural under the circumstances with exchange ruling where it is. For instance the British holder of the stock when he sees exchange running far below $4 and reaching a point under $3.70 on Thursday, by selling out would get almost exactly 24 per cent. more for his stock than if exchange were normal. In other words, in selling a share he would receive £26 18s. for his stock. At the present time, however, where the pound had dropped to a valuation of $3.70, by selling out he would receive in his own currency £35 8s., or an increase of about £8 10s. owing to the low price of exchange. Or, taking the basis of the advance in the price itself, instead of getting $131 he would get equivalent of about $163. As a matter of fact, the latest London Stock Exchange sheets quote C.P.R. at 177 to 178, showing an advance of considerably over 20 per cent. on the quotation at that time on the New York Stock Exchange.

When it comes to the French holder, where on Thursday exchange had reached 11.60 in place of a normal of 5.20, the French holder would receive in francs over double what he would under ordinary conditions, around 270 in place of 131 for his stock. With the German mark around 2 cents in place of about 24, if there were a conversion now the difference would be very much greater. It thus happens that at the present time, with exchange so low for European currency, it pays the holders overseas to dispose of their stock in New York for New York funds and transfer them to currency of their own country.

Where Canadian Sellers Benefit

In the case of Canada, New York funds were quoted in Montreal on Thursday at a premium of nearly 11 per cent. With stock selling in New York at 131 this would be an equivalent of about 145 in Canadian funds. For those who had bought the stock at a lower price than 145—and there are not many—the temptation to sell out and take advantage of the exchange would be a strong one. It is thus considered likely in railway and financial circles here that C.P.R. will be low in price until liquidation ceases or as long as the exchange situation is so abnormal.

There is another interesting point in connection with this where it affects C.P.R. itself, and that is that C.P.R. dividends are payable in New York funds. This means that if exchange were to continue against Canada at about 10 per cent. the company would be paying at the rate of 11 per cent. in place of 10 per cent., or for the quarter, 2.75 per cent. in place of 2.5.

On a capitalization of $260,000,000 the annual dividend is $26,000,000. If the 10 per cent. premium for New York funds continued for a year the company would be compelled to pay $2,600,000 more for dividends than under normal conditions.

Up to this week the lowest quotation on C.P.R. on the Canadian Exchange had been in December 1917, when it fell to 128¼. The high mark since 1909 was in August 1912, when it went up to 282⅞. The low points since 1909 have been as follows:

Low Canadian Quotations

1909	166
1910	177
1911	196⅞
1912	228
1913	204½
1914	171
1915	139¼
1916	165
1917	127¾
1918	144¼

Those in close touch with the company here do not believe that the price of stock is influenced to any great extent by the railway conditions in the United States, so that with the bright prospects before the company in the future, and some increase over last year likely to be shown in the net earnings this year, it would require only the righting of exchange for a considerable improvement to take place in the stock.

SOUTHERN CANADA POWER

Dividends Start to be Cumulative on Preferred at Beginning

MONTREAL.—While the figures covering the fiscal year of the Southern Canada Power Co. are not yet available, it is learned that there will be a good increase in profit over last year. This point comes up in connection with the preferred stock of this company, for, according to the old arrangement the dividend is cumulative on the first of January, 1920. The preferred stock amounts to only $250,000, so that the interest of 6 per cent. on this will amount to only $15,000 a year. So far as can be learned, the company will not allow it to remain cumulative for any long period but would begin to meet the dividend. The present price of the bonds is about 90, the preferred stock from 65½ to 67 and the common is bringing about 22 to 23.

CANADIAN COTTONS' ORDERS FOR 6 MONTHS

Mills Filled to Capacity Until Next Summer—Rumors of 8% Dividend

By Resident Representative

MONTREAL.— Canadian Cottons has shown exceptional strength the last few weeks, and in spite of the rather easy tone of the market this week held up well to the high of 98 that was reached last week. This mark is 31 points above the low of the present year, and the movement gave rise, as a few months ago, to a rumor of an increase in the dividend from 6 to 8 per cent., the intermediate of 7 per cent. being apparently disregarded as not worthy of mention. The question, THE FINANCIAL POST understands, has not yet been considered by the directors, although the financial position of the company would make such an increase an easy one to meet at the present time. A short time ago the company was paid $875,000 on account of the sale of the Mount Royal mill to the Dominion Textile Company. Then, the business of the company is running to the limit of the capacity of the mills. Long ago the company had to refuse to accept any further orders for goods for the spring of 1920, as they were loaded up until next June. Then there is a world scarcity of cotton fabrics, and Canadian Cottons, as all the Canadian textile mills, will have all the orders they can attend to probably for the whole of 1920, and beyond that if present conditions continue, as they give every evidence of doing.

NOVA SCOTIA STEEL

The Nova Scotia Steel and Coal Co. has acquired for $2,000,000 a controlling interest in the Acadia Coal Co., formerly operated by a Belgian syndicate, with head offices in Brussels, whose mines are in Cape Breton. The deal was effected by Thomas Cantley, chairman of the board of the Nova Scotia Steel and Coal Co.; D. H. McDougall, president, and W. D. Ross, vice-president, who are at present on their way back from Europe.

The change will make little difference in the actual operation of the workings, because the Acadia Mines will continue to supply the New Glasgow steel works of the acquiring corporation as formerly.

DOMINION BRIDGE

After the recent strength and activity the slump in Dominion Bridge this week caused considerable controversy on the Street regarding the company's prospects, which, it must be said, was entirely favorable to the company. Statements were made around the ticker to the effect that the Bridge Company was constantly improving its industrial position. Its output has become diversified during the past year, and lines have been added, such as pulp and paper-making machinery, which are adding considerably to revenue. It is considered that the prospects for 1920 are excellent in view of the strong probability of a considerable revival in construction work of all kinds.

LAURENTIDE

As the advent of the New Year approaches there has been a revival of the interest in the shares of the Laurentide Pulp and Paper industry, general expectations being that the capital reorganization of the enterprise will be consummated early in 1920. The last outstanding bonded indebtedness of the company, which at the end of the fiscal year on June 30 last, amounted to only some $620,000, will then have been paid off, the securities maturing on January 2 next, so that Laurentide's only outstanding capital obligations will be the $9,600,000 par value of common stock.

DOMINION PERMANENT

Judgment has been reserved by the Appellate Division on the question of whether holders of fractional shares in the Dominion Permanent Loan, which they obtained in exchange for shares in the Provincial Building and Loan Association, are liable to be placed on the list of contributories for the balance of the shares.

DULUTH-SUPERIOR

Gross earnings of the Duluth-Superior Traction Company for the last period of November totalled $47,649 as against $39,649 for the corresponding period in 1918, an increase of $7,999 or 20.2 per cent. For the month the earnings totalled $162,019, an increase of $38,937, or 31.6 per cent.

SHIRT AND COLLAR PLANTS EXPANDING

Tooke Bros. and Cluett, Peabody Opening New Factories—A Rush of Business

By Resident Representative

MONTREAL.—The firm of Tooke Brothers, shirt and collar manufacturers, of Montreal, have been unable to handle the business offered their plant in Montreal and are trying an experiment of opening up a branch factory on the south shore at Longueuil. Work will start this week in a factory with some fifty machines in a place on the Chambly Road, which formerly was used as a chocolate factory. The manager of the company, W. A. Brophy, stated that if the firm could secure the necessary help on the South shore, they would extend the new factory and increase it to 150 or 200 machines. At the present time, until an abundance of help is certain, the company would operate only a part of the building, adding machinery as fast as they could get the help. The town council of Longueuil has agreed to supply the firm with free water and to grant an exemption from taxation if the factory should become a permanent one in the town. In addition to this, the company is making a large extension to their Montreal plant. Some time ago there was a rumor floating around that Tooke Bros. had received an offer from another similar company to merge the two, and several names were mentioned in connection with this. Whether there was anything in it at the time would be difficult to determine, but at any rate the expansion of Tooke Bros. will settle the rumor, so far as they were concerned.

Another company in the same line of shirts and collars is also extending its plants, Cluett, Peabody & Co. For the past six years this company has had a Canadian factory at St. Johns, Quebec, but this has proved far too small, and it was found inadvisable to extend it there as there was a scarcity of help.

National Trust Company
Limited

Dividend Notice

Notice is hereby given that a Dividend for the three months ending December 31st, 1919, at the rate of

Ten Per Cent. Per Annum

has been declared on the Capital Stock of the Company and that same will be payable on and after January 2nd, 1920.

The Transfer Books will be closed from December 21st to 31st, both days inclusive.

By order of the Board.

W. E. RUNDLE,
General Manager.

TORONTO, December 3rd, 1919.

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ISSUE OF DAVIES' PREFERRED WAS QUICKLY TAKEN

Canadian Investors Given Little Opportunity to Purchase

EXCHANGE A FACTOR

Gave Advantage to American Buyers—Big Packing Concern to be Extended With New Funds

The quick absorption of the issue of 85,000 shares of William Davies Company, Inc., which was very largely taken up in the United States as soon as available, indicates an active investment interest in packing company securities which have in the past seldom been offered to the public although the industry has in recent years attained to immense proportions both in Canada and in the United States. It may easily be that the response to this offer will encourage further issues of the kind. One point which the management of these concerns will no doubt consider seriously is the advantages to accrue from a broader distribution of securities coupled with greater publicity regarding finances and business operations. This should tend to counteract the generally unfavorable impression which has been given by Government investigations seemingly influenced by the political advantages of misrepresenting conditions bearing upon the cost of living. Statements of earnings have seldom been accompanied by analysis showing the small margin of profit on turnover of the cheap efficient service rendered to the public.

The Davies issue was offered at $50 a share in New York funds. The shares are "preferred as to cumulative dividends at the rate of $4 per share per annum, payable quarterly, and participating share for share after the Class B or Founders' shares have received dividends to an amount equal to $5 per share per annum for all preceding years." This dividend of $4 a year would be equal to $8 per $100, or 8 per cent. in the United States. The issue is part of a total amount of 100,000 shares outstanding of Glass A, and in addition there will be outstanding 66,000 shares of class B, and a further item of $1,183,500 of 6 per cent. Sinking Fund Bonds, due 1926, secured by a mortgage on the Canadian plants, and a real estate mortgage of $140,000 on the Chicago property.

Includes U. S. and English Plants.

This issue is the outcome of the recent sale of the interests of Sir Joseph Flavelle in the William Davies Company. William Davies, Inc., will include not only the Canadian assets, including plants at Toronto, the head office; Montreal and Winnipeg, but the present Davies Company of Illinois, which operates a cutting and curing plant; a complete meat canning factory, and a large storage plant at Chicago; the John Agar Company of Illinois, with beef and hog killing plants, etc.; and 60 per cent. of the capital stock of the Sheed, Thomson Company, Limited, of England. The present financing is to enable the younger men of the management to acquire the holdings of the older men, to add to the present properties, and to secure additional working capital.

Net Profits Averaged $1,218,902

Backing up this issue there is a statement that the combined net profits for the four fiscal years ended March 31, 1919, after allowance for interest, taxes and adequate depreciation—have been $1,218,902, equal to three times the cumulative dividend of $4 per annum on the total of 100,000 shares of A stock, or at the rate of more than $7 per annum on the two classes of stock. The assets of the company include $7,277,114 in plants, real estate and equipment; $1,080,265 in cash; $9,338,938 in inventories and consignments; $2,729,483 in accounts receivable; $665,102 in current assets, and the nominal amount of $1 for good-will, trade marks and brands; this last a suggestion, by the way, of a similar "valuation" as set down by the Ogilvie Flour Mills of their trade marks, good-will, etc. This total reaches $21,093,903. Against these items are the small bond issue of $1,183,500; the real estate mortgage of $140,000; current liabilities of $9,508,172, and an allowance of $10,259,231 for the 166,000 shares outstanding of Classes A and B. The tangible assets, after deducting the bond issue, amount to $10,259,230, or $102 per share of Class A stock; while the net quick assets equal $4,305,616, equal to $43 a share on the Class A shares. Taking the net tangible assets there would be $61 a share for the A and B issue combined.

Sales Over $68,000,000

An interesting point in connection with this business is that the gross sales for the twelve months ending March 31, 1919, were over $68,000,000; that the Davies interests are the largest curers of hog products under the British flag, and the fourth largest exporters of hams and bacon on the North American continent. The new president, E. C. Fox, is grandson of the founder of the Company, Wm. Davies; and the active management of the business has rested in his hands since 1914, when the president withdrew from active participation. In this period the capacity and output of the properties has trebled.

In addition to a complete packing house business covering Canada, England and parts of the United States, the company owns and operates sixty-six retail stores, mostly in Toronto and Montreal.

Value of Properties

The values set down by Goethals & Co., for the various properties are: Chicago, $1,366,899; Agar Company, $887,484; Toronto, $2,687,533; Montreal, $891,440; Winnipeg, $27,202; Harriston, $30,000; store properties, (Toronto and Montreal) $1,126,553, a total of $7,277,113.

PROFITS OF CANADA CEMENT ARE SMALLER

Volume of Sales Larger, But Margin is Closer—Munitions Business Passes

By Resident Representative.

MONTREAL.—With the year of the Canada Cement Company nearing its close, the sales of cement will show some increase over last year's record, but there will be some loss of earnings on account of the absence of munitions contracts. In addition, the net profit per barrel of cement will be less, it is understood, owing to the fact that costs of production rose more than the advance in the selling price of the commodity. Thus shareholders must not be disappointed if the net result, so far as profits are concerned, do not rank as well as those of 1918. On the other hand the liquid position of the company will show a great improvement owing chiefly to the settlement of the claims against the United States Government for plant, munitions on hand, raw material, etc., the result of the cutting off of orders as soon as the war ended, which last year were represented in the form of inventories, plant, etc.

The new element in the company's business this year was the start in export to the West Indies, Cuba, etc., business that in normal times went for the most part to Belgium. It is understood that considerably more than 100,000 barrels of cement were shipped out to these countries, and of late the shipments were not limited by orders, but the inability of the company to secure the barrels required, for ocean voyages cannot be taken by the ordinary bags of the company. There is a serious shortage of these barrels and the filling of orders had to await the receipt of sufficient containers. It is rather interesting to note that experiments are being made by the Cement Company, in common with a number of others, in connection with the use of paper barrels, which are now being turned out in Montreal. The difficulty has been in devising a head that would suit the type of barrel, and make the paper container a commercial possibility. So far as the composition is concerned this is already accepted. There has not been much activity in the stock for some time, but the price holds up well.

$5,000,000 ISSUE OF GOODYEAR TIRE

Syndicate Has Purchased Preferred Stock Issue—Company Will Extend Plants

A new issue of $5,000,000 preferred stock of the Goodyear Tire & Rubber Company of Canada, has been secured by a syndicate composed of Nesbitt, Thomson & Co., Dominion Securities Corporation, and A. E. Ames & Co., and it is understood will be offered in due time to the investing public. The proceeds of the issue are for the purpose of making extensions to the company's plants both at New Toronto and Bowmanville, Ont. At the former factory, over 2,000 men are now employed, and more than 1,000 at Bowmanville. A fairly large proportion of the production is exported, and this demand, as as well as the domestic, is expected to keep up for years to come. The gross sales of the Canadian company for the fiscal year ending Sept. 30, 1919, were about $13,000,000, while those of the present company in the United States, were $165,000,000. This latter company recently issued $40,000,000 of its 7 per cent. preferred stock in the United States at par, and a large portion of this was subscribed by the employees.

AUTOMATICS FOR MARITIME 'PHONE

New System to be Installed Throughout the City of Halifax

By Special Representative.

HALIFAX. — The announcement that the Maritime Telegraph and Telephone Company had decided to establish the automatic service in Halifax is heard with considerable interest. Very few knew that such a step was in contemplation and they only became aware of it when the news came out that a contract had been awarded to erect a building where the system is to be installed. The system decided on is that now in use in the Western Provinces, but it will have the advantage over that of being more modern and with all the improvements made since the installation in the Western part of the country several years ago. In conversation with THE FINANCIAL POST representative, J. H. Winfield, the general manager, said that he believed the system had now reached the stage of perfection and that it was absolutely safe to establish it as a permanent thing. Speaking of the cost of operation of the automatic system as compared with the manual, Mr. Winfield said that of course the item of girls' payroll would be eliminated, but on the other hand the expense of installation was so far in excess of that of the present system that the benefit to subscribers in tolls would be unimportant. The advantage in the automatic system, from an economic point of view, he remarked, was that there was an element of finality in it. When the system was once in its expense was known and could not increase from time to time because of never-ending demands for increased pay. Apart from the cost of the telephone instrument itself, Mr. Winfield said, the cost of installation per telephone at central of the present system is about $30. Under the automatic system it will be in the vicinity of $125, so that the interest charge will go a long way in making up for pay rolls. The automatic system has an advantage, however, in the fact that the larger the exchange the less the proportionate expense of installation which is not the case with the manual system. The cost of the change in the Lorne exchange, that is for the northern part of the city, will be $400,000 and it is to be in working order in August next. Eventually the whole city will be covered. It is interesting to note that if the company had chosen another system than that they have decided on it would have taken more than three years to receive the first of the equipment.

LONDON STREET RAILWAY

The Hydro-Electric Power Commission having reported to the City Council that the city could not purchase the London Street Railway at the price the system is worth and operate it as cheaply as the company is operating it at the present time, the Council decided not to put the question of purchase to the people in January.

The Hydro report, which was handed to the city fathers by Sir Adam Beck, put the value of the road at $1,356,000, though the company is willing to sell at $1,203,000.

DIVIDENDS

Gen. Electric, com.	Jan. 1	2	Dec. 11
Wabasso	Jan. 2	2	Dec. 15
Bank of N. Scotia	Jan. 2	4	Dec. 16
Canada Landed	Jan. 2	2¼	Dec. 17
Dom. Steel Corp., c.	Jan. 1	1¼	Dec. 5
Dom. Iron, pref.	Jan. 1	1¾	Dec. 13
Dom Textile, com.	Jan. 2	2	Dec. 15
Duluth Sup., pfd.	Jan. 2	1	Dec. 15
Dominion Bank	Jan. 2	3+1	Dec. 20
Molsons Bank	Jan. 2	3	Dec. 15
Lon. & Can. Loan	Jan. 2	2+1	....
McIntyre Mines	Jan. 2	5	Dec. 1
Can. Permanent	Jan. 2	2½	Dec. 15
McKinley-Dar.	Jan. 1	3	Dec. 16
Landed Banking	Jan. 2	4	Dec. 15
Dom. Glass, com.	Jan. 1	1	Dec. 15
Do., pref.	Jan. 1	1¾	Dec. 15
Ont. Loan	Jan. 2	2½	Dec. 15
Mackay, com.	Jan. 2	1½	Dec. 6
Do., pref.	Jan. 2	1	Dec. 6
Tor. Gen. Trusts	Jan. 2	2½+1	Dec. 19
Consumers' Gas	Jan. 1	2½	Dec. 15
Huron & Erie	Jan. 2	1½	Dec. 15
Penn. Water & P.	Jan. 2	1½	Dec. 19
Ham. Provident	Jan. 2	4½	Dec. 14
Atlantic Sugar, pf.	Jan. 2	1¾+1¾	Dec. 12
Brazilian, pfd.	Jan. 1	1½	Dec. 15
Central Can. Loan	Jan. 2	2½	Dec. 15
Cons. Smelters	Jan. 2	2½	Dec. 10
Hollinger	Dec. 21	1	Dec. 18
Ogilvie, com.	Jan. 2	3	Dec. 22
Porto Rico Rly pfd.	Jan. 2	1¾	Dec. 20
Can. Steamship pfd.	Jan. 2	1¾	Dec. 16
National Trust	Jan. 2	2½	Dec. 20
Toronto Mortgage	Jan. 1	2+1	Dec. 15
London Loan & Sav.	Jan. 2	1¾	Dec. 15
Riordan Pulp pfd.	Dec. 31	1¾	Dec. 24
Shredded Wheat cm.	Jan. 1	2	Dec. 20
Do., Pref.	Jan. 1	1½	Dec. 20
Burt, T.N., com.	Jan. 2	2	Dec. 15
Do., Pref.	Jan. 2	1¾	Dec. 15
Canada Trust	Jan. 2	4	Dec. 15
Prov. Paper, com.	Jan. 2	1½	Dec. 15
Do., Pref.	Jan. 2	1¾	Dec. 15
Ottawa Car Mfg.	Jan. 2	1+2	Dec. 15
Ottawa Traction	Jan. 2	1+1	Dec. 15
Nat. Breweries, com.	Jan. 2	2½	Dec. 15
Crocker-Wheeler, pfd.	Dec. 31	1¾	Dec. 21
Do., Com.	Dec. 31	1¾	Dec. 21
Montr'l C.&D. Bank	Jan. 2	$2.50	Dec. 15
Sher.-Williams pfd.	Dec. 30	1¾	Dec. 15
Bank Nova Scotia	Jan. 2	4	Dec. 17
Gould Mfg., com.	Jan. 2	1½	Dec. 20
Do., Pref.	Jan. 2	1¾	Dec. 20
Intercol. Coal. Com.	Jan. 1	3	Dec. 20
Do., pref.	Jan. 1	3½	Dec. 20
Shawingan	Jan. 10	1¾	Dec. 26
H. Smith Paper, c.	Jan. 15	5	Dec. 31
Do., Pref.	Jan. 15	1¾	Dec. 31
Steel of Can.	Feb. 2	1¾+1	....

Bought - Sold Quoted

CANADIAN CONSOLIDATED FELT
Common and Preferred

AMES HOLDEN TIRE CO.
Common

HOLT, RENFREW CO.
Common

ST. MAURICE PAPER CO., LTD.
Common

UNITED CIGAR STORES (Canada)
Common and Preferred

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Paid-up Capital, £2,500,000
Res. Fd. £2,570,000 Together £5,070,000
Res. Liab. of Proprietors....£5,000,000
Total Capital and Reserve £10,070,000

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In New South Wales...... 39
In Queensland 19
In South Australia 14
In Western Australia 21
In Tasmania 3
And in NEW ZEALAND.. 44

Drafts upon these Branches are issued by the Head Office and may be obtained from the Bank's Agents throughout the world. Commercial and Circular Travelling Credits issued — available throughout the world. Cable Transfers are also made. Bills on the Australian States and Dominion of New Zealand are purchased or sent for collection.

Canada Permanent Mortgage Corporation

QUARTERLY DIVIDEND

Notice is hereby given that a Dividend of TWO and ONE-HALF PER CENT. for the current quarter, being at the rate of

TEN PER CENT. PER ANNUM

on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

FRIDAY, THE SECOND DAY OF JANUARY

next, to Shareholders of record at the close of business on the Fifteenth day of December.

By order of the Board.

GEO. H. SMITH,
Assistant General Manager

Toronto, November 26th, 1919.

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CLAIMS RICH OIL EXISTS BENEATH CALGARY FIELDS

Expert, in Report to British Government, Advises Deep Drilling

LESSONS OF BUBBLE

Serious Investment is the Need—Of Sixteen Wells Drilled in Turner's Field, None Have Gone Below the Sands

It is possible that the oil-fields in the vicinity of Calgary, that in 1914 were the scene of one of the greatest orgies of speculation this country has ever seen, may yet develop into a producing area on an extensive scale. THE FINANCIAL POST understands that British capitalists have been investigating the possibilities of the district, and that at their instigation, the British Government recently retained one of Canada's leading oil men, and a pioneer in the Calgary field, to make a thorough investigation of the district. His report is now on its way to England, and in it he states that of the sixteen wells in the Turner Fields district near Calgary not a single one has yet been drilled to the spot where he believes the big oil pool exists.

The report states that in this particular area there are sixteen wells, projected, partly drilled, or completed. Twelve of these reach to the first oil sands; and four go further to the second bed of oil sands. Twelve of them have struck oil and seven have struck both oil and gas. Only six, however, are producing wells, and their daily production amounts to about $1,000.

Yet of the twelve wells, which include the famous Dingman wells, not one has been driven below the oil sands, down to the crust of the great anti-cline, which this expert believes is the roof of a large oil reservoir. He calls it the "basic horizon of the oil pool."

It is pointed out that to drive wells to the lower depths, which may be anywhere from 3,000 to 5,000 feet down costs many thousands of dollars, and requires the attention of serious investors. This attention might have been given to the Calgary fields had not the crescendo of "wild-catting" struck the area just before the war, driving serious investors out of the territory. The outbreak of the war finished the aspirations of most of the serious operators in the area. At present there are half a dozen companies producing oil in small quantities near Calgary, and of these the chief one is the Calgary Petroleum Products Co., Ltd., of which A. W. Dingman, is general manager.

Some idea of the extent of the Calgary boom may be gained from the fact that in the few months that elapsed between the opening up of the field and the bursting of the bubble, over 400 companies with an aggregate capitalization of $400,000,000 were organized. Most of them are non-existent to-day.

If the opinions of this expert are borne out by further investigations the statements made by other oil men who have explored Alberta from north to south will be confirmed. In Peace River, while oil is now being pumped from the oil sands at about 1,200 feet, geologists are advising the operators to go further down to 3,000 and 4,000 feet if necessary to the basic oil strata.

MINING STOCK QUOTATIONS
Week Ending December 10

	High	Low	Close	Sales
Adanac	6¼	6	6¼	67,000
Apex	3			1,000
Atlas	36	37	37	22,700
Bailey	4⅞			1,000
Beaver	57½	49¾	50	31,441
Chambers	16	14	15½	21,000
Cr. Reserve	46½	36	44½	207,460
Dome. Ex.	36	35	35	13,325
Dome Lake	17½			1,000
Dome Mines	14.65	13.90	14.00	1,009
Foster	4			500
Gt. Northern	3¾			1,000
Hargraves	5	3¾	3¾	15,200
Hillcrest Com.	55			25
Hollinger	7.20	7.10	7.10	2,705
Keora	21	19½	19½	19,800
Kerr Lake	4.00			200
Kirkland Lake	53	48½	52½	34,800
La Rose	49½	47	48	6,100
McKinley Dar.	73	70	70	10,850
McIntyre	2.17	2.12	2.12	13,903
Moneta	17¾	14	15	12,500
Newray	13½	13	13	3,310
Nipissing	13.50	13.15	13.25	1,115
Ophir	4	3½	4	20,200
Peterson Lake	21	19¼	20½	57,500
Porc. Imperial	1¾			4,000
Porc. Crown	27½	26¾	27	16,100
Preston E. D.	⅛	4	4	15,000
Silver Leaf	2½	2¼	2½	8,100
Schumacher	24	22½	23	1,950
Teck-Hughes	18½	17	18	17,500
Timiskaming	51	48	50	134,200
Thom-Krist	7¾	7	7	9,000
Thethewey	51	45½	46½	143,220
Wettlaufer	3¾	3½	3¾	1,500
Wasapika	64	59	59	41,650
Gifford	1½	1¼	1⅜	17,000
Lake Shore	1.24	1.17	1.17	2,700
Davidson	75			300
Mining Corp.	1.75	1.65	1.75	4,759
V. N. T.	22½	20	20	6,200
West Dome	10	9½	9½	6,500
Gold Reef	5½	5	5	44,950
West Tree	14	12½	13	12,870
Con. Smelters	29¼	28	28	1,845

BUY PIONEER MINE

Mining Corporation Pays $100,000 For Property

In line with the policy of the Mining Corporation of Canada to acquire new properties for development work is the recent purchase by the company of the Pioneer Mine at Cadwallader Creek, Lillooet, B.C. The price paid for the property was $100,000, and not $100,000,000 as a sensational story in a Vancouver paper had it.

Under the agreement, Messrs. Adolphus Williams, K.C., and the two Ferguson brothers, who have owned and operated the mine for the past three years, are to receive $100,000 in cash for their interests. They have, during their operation, taken considerable quantity of gold from the mine, making regular shipments to the Government assay office. With enlarged equipment and the development of hitherto untouched ore bodies, the new owners expect to greatly increase the output of the mine. Mr. Fred Kinder, of Lillooet, discovered the property.

BRITISH COLUMBIA ACTIVE IN MINING

New Capital Has Come In and New Properties Are Opened

This has been an active year in the mining industry in British Columbia. While in some metals, such as silver-lead, copper, etc., production has not been up to the mark of two or three years ago, when war needs brought the output to the peak, there has been a steady development in many of the newer areas. A great deal of outside capital has been brought in during the year.

Throughout the whole of the Slocan district many new properties have been bonded and are now under development. A continuous renewed interest is being taken and many people are in the neighborhood looking for properties. There is much American capital being brought in, but it is anticipated that eastern interests shortly will be aroused in this district.

At the Silversmith mine at Sandon the ore body recently discovered is said to be the largest discovered in that property and carries with it high values in silver. This mine is improving all the time. The Noble Five is owned by the Hon. James Dunsmuir, who has recently acquired the Rico, an adjoining property, and is now erecting a 1,500-ton capacity mill at a cost of $200,000, which will be used for the large tonnage from the two properties. Clarence Cunningham has erected a large mill, running full capacity, treating ore from the Queen Bess, Sovereign, Wonderful and the Alamo Idaho mines. Rosebery's Surprise Mining Co. at Sandon is carrying on a vigorous policy of development in the newly acquired properties, Canadian, Adams and Ivanhoe groups, in addition to the Surprise and the Bosun."

In addition to these, many new properties are now under development, many of whom have already made shipments. Among these are the McAllister, Ocean, Van Roi, Silverton, Enterprise, Neepawa, Molly Hughes, Black Prince, Ottawa and Evening Star, all in the Slocan district, and all mines of excellent promise. The Standard, which has been receiving attention in the way of development, has paid $3,000,000 in dividends and the company is now looking forward to acquiring further territory. All these mines are classed as high grade silver properties.

In the Kaslo district the Cork Province has been reorganized in order to raise money for further developments for the large ore bodies at "depth," also to acquire further water power, which is needed for the milling plant. The Silver Bell, Index, Gibson, Flint and other properties are also pursuing a vigorous policy of development. All these are new mines opened within the last eighteen months and are suggestive of the future prosperity of the district. The Old Blue Bell, the oldest mine in the country, the Ainsworth, Florence No. 1 and several others have been sending shipments.

MAY ABANDON BOUNTY

And Substitute Royalty if Oil is Found

Reports from Ottawa indicate that should Peace River and Nor. Alberta oil areas develop into great producing oil fields, it is likely that the Government will cease paying a bounty on petroleum production in Canada, and may even demand a royalty on each barrel produced.

The bounty was originally granted to encourage exploration for oil in this country, and it is felt that if the land leased from the Government should become productive of oil, it would be no longer necessary to continue the bounty. As the Government derives a revenue from the lease of oil lands, the effect of a royalty would be to tax oil production on a dual basis.

GREAT INCREASE IN WORLD OIL DEMAND

More Capital and Greater Development Necessary to Meet Situation

NEW YORK.—Oil production in the U. S. is increasing one million barrels a month, but the domestic and foreign demands upon us are increasing at the rate of four million barrels. This situation presents an acute problem. It is not a new one, for students of oil conditions have for several years seen this situation developing. Up to the present time, however, its real seriousness has been beclouded in the uncertainties surrounding the relation of the demands of war to the real needs of peace and just to what extent the carry-over war influence has affected the production and consumption since the armistice was signed is not clear. Heretofore this has not generally permitted a clear conception of the exact relation between production and consumption under peace conditions.

But a year has elapsed since the cessation of the heavy drain upon our oil supply during actual hostilities and the expected decline in the unprecedented demand for petroleum products has not occurred. Despite the extraordinary efforts made to stimulate production during hostilities and since the armistice, and the opening up of new, extensive and prolific oil fields, production is gradually but surely falling behind consumption.

In addition to its own fast growing domestic requirements, this country is more or less obligated to supply pressing European needs. Germany must be supplied with 500,000 tons of lubricating oil and 600,000 tons of other petroleum products in the next twelve months. The Italian delegation told the American Petroleum Committee at the International Trade Conference held at Atlantic City several weeks ago, that Italy would need 4,000,000 tons of fuel oil, kerosene, gasoline, etc., this coming year. The French delegates told the committee that France would need 1,200,000 tons of fuel oil alone in 1920 or approximately 8,400,000 barrels.

Where is all this oil to come from? The American Continent must supply the bulk of it, if it can, otherwise the demand will not be satisfied. The position in the great Roumanian, Galician and northern and southwestern Russian oil fields is most unsatisfactory and does not appear as possible of much improvement for a long time to come. South America and Mexico can be depended upon at present to supply only a small proportion of the demand. It is clearly a problem for the United States, and this means that capital in ever-increasing amounts must be diverted to the development of oil and that prices of crude and refined must be advanced sufficiently to attract new capital in unlimited quantities.

COLLAPSE OF COPPER PRICES HITS STOCKS

Withdrawal of Support Left Copper Prices in Natural Position

NEW YORK.—The collapse of the copper metal market needs no explanation. The causes are plainly apparent to anyone who has followed events in the metal market during the past year. At around 18 cents there has been a decline in the past few weeks of 5 cents from the arbitrary market of 23½ cents quoted by the large producers ever since the heavy buying orders were placed in mid-summer. Since these orders were taken there has been a veritable famine in new business.

For many weeks the large copper-selling interests have been "holding the umbrella." The small producers and those not disposed to co-operate with the large selling interests have been cutting prices and taking the business, leaving the big agencies out in the wet.

It is understood that a month or so ago one of the largest selling interests—if not the largest—unable longer to stand the pressure, quietly started out to get business and booked a considerable volume of orders around 20½ cents a pound. Up to that time the big fellows had been standing together, not collusively or in violation of any legal restriction, but they were convinced that nothing was to be gained by any price-slashing competition for business, and that just as much copper could be sold at 23½ cents as at any lower price. But the time has come, apparently, under the burden of rapidly accumulating supplies, and the barrier against export of adverse foreign exchanges, for some of the producers at least to jump after business at any old price.

The American Federation of Labor has gained nearly 1,000,000 members within the last year. The Federation has now about 4,000,000 members.

BUSINESS INSURANCE

on the lives of the men who run the business is just as important as fire insurance on the property. Fire is a possibility but death is a certainty.

The ready cash from a Canada Life Business Insurance Policy at such a time will readjust matters and carry on the business as nothing else can do. Ask for particulars.

CANADA LIFE ASSURANCE COMPANY
Home Office Toronto

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Jute and Cotton Bags · Tents
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Service for Corporations

Officials of Public Companies should be relieved of all possible detail and responsibility. The Union Trust Company is authorized and organized to be of assistance in several particulars:

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2. Trustee for bond or debenture issues.
3. Transfer agent and registrar of shares.

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Union Trust Company LIMITED
Henry F. Gooderham, President
Head Office: Corner Bay and Richmond Streets, Toronto
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152

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that definite arrangement for the distribution of your Estate by an Executor or Trustee having the requisite responsibility and experience to ensure your wishes being satisfactorily carried out. Appoint to-day as your Executor and Trustee

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Review No. 2

Offering of

K. & S. Tire & Rubber Goods
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7% Cumulative Participating Preferred shares are offered to the public at par ($100), with a 25% Bonus of Common Stock.

Preferred Share Feature.

AN attractive provision that looks forward to the appreciation in value of this Bonus of Common Stock is that according to the Company's Charter, commencing with the year 1922, 10% of the net earnings must be set aside annually for the redemption and cancellation of the preferred shares, thus reducing the amount outstanding and improving the relative share the common stock will hold in the annual profits of the company's operations. On the other hand, the value of the preferred is conserved by a provision that when the dividends on the common exceed 7% per annum the preferred shall be entitled to rank ratably with the common shares in any further distribution of the profits of the company. Thus a rather unique provision conserves the value both of preferred and common stock, in both of which the investor in the present $500,000 offering participates.

Prospectus and complete details mailed upon request.

Reiner, Walsh & Co.
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For the well groomed man

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Finer than the imported

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We Offer

the 8% cumulative sinking fund preferred shares in

Loew's Buffalo Theatres, Inc.

This company have planned to erect a modern fire-proof theatre with a seating capacity of 4,000 in Buffalo, N.Y., under the same management that has proven so successful in other cities.

Shares, of continuous vaudeville theatres have proven an excellent form of investment, and the success of Loew's enterprises in this field has been marked.

The preferred shares are offered at par ($100) with a bonus of two shares of common stock (par value $10).

A careful estimate of earnings, after all charges, etc., have been paid should show a very substantial dividend for the common stock.

Prospectus and complete information upon request.

Richardson, Sheppard & Thorburn, Ltd.
Investment Securities
Royal Bank Bldg - - Toronto

The Spanish budget of $474,631,060 for 1920 carries increases in land tax of 8%, excess profits tax 30%, taxes on titles and nobility 25%, and imposes taxes on foreign banks and entertainments.

MONEY BANKING AND EXCHANGE

EXCITEMENT ONLY ADDS MOMENTUM TO DROP IN FUNDS

End of Week Sees Market Stronger—Outlook Uncertain

BRITISH APATHETIC

Sterling Continues to Fall, But Great Britain Sees in Decline Protection For British Industries

While close followers of the foreign exchange situation have been predicting lower levels for sterling, francs and Canadian money ever since the American Senate refused to ratify the Peace Treaty, the violent declines in all these exchanges during the past week have caught many people unawares. As a result, there has been a great deal of excitement and frenzied buying and selling that has only added to the general confusion. This has been particularly so in the case of New York funds, which fell from 5 per cent. a week ago to 11 per cent. at one period during the week. Although foreign exchange dealers state that this drop is a reflection in some degree of the general era of extravagance through which the country seems to be passing, there was no necessity for the violent declines of two or three notches in an hour or two, if the dealers had not tried to rush the market.

If this opinion be correct, it has received some corroboration in the action of New York funds on Friday, which were firm all day at about 1 per cent easier than on Thursday.

British Not Alarmed

There is, indeed, a contrast in the manner in which the Canadian people are taking this sudden drop in their money in New York and the way the British people view with scarcely a tremor the rapidly plunging course of sterling, which declined every day this week and touched $3.67 on Friday. Canadians have not realized the extent to which they have been buying in the United States, and when their money loses 10 per cent. of its value on the other side, they are inclined to blame it on the Americans without realizing that the remedy is largely in their own hands.

The British people see in the declining sterling pound the revivication of British industry. Great Britain, a free trade country, has in the exchange a high wall of protection against her closest competitor, the United States.

Many Sections Affected

The decline in exchanges has been an important matter to many sections of the Canadian business. The pulp and paper companies and holders of stocks, which have been invested in largely by British investors, have each been affected in a certain way by the week's fluctuations. These phases of the situation are discussed elsewhere. But while there has been a tendency on the part of the British investors to liquidate their holdings of Canadian securities, the high rate for New York funds has turned the attention of American investors to the Canadian markets. This is seen in the purchase by the National City Company from a Canadian bond house of $3,000,000 of Ontario bonds, now to be offered to American investors. Certainly the exchange situation makes American investments in Canadian securities very favorable.

The record of the exchanges for the week has been a series of declines. The week's fluctuations in the principal exchanges have been as follows:

December 5.—New York funds opened at 5⅝%; and rose to 5 9-16, 5⅝, closing at 5 11-16.

December 6.—Funds opened at 5 21-32. Sales were noted at 5 11-16, 5¾ and 5⅞. The close was easy at 5 21-32, with not much change for the day.

December 8.—New York funds were for 5 13-16 at the opening, but sales were first recorded at 5⅞. Rose rapidly to 6%, and 6 3-64 bid at the close.

December 9.—Opening was at 6 1-16. Funds sold at 6 3-16, 6¼, 6 9-32, 6½ and closed up again to 6⅝.

December 10. Opening was at 6⅝ bid. First sold at 7⅛, indicative of the flurried state of the market. Other transactions on a rising market were at 7½, 7 9-16, 7¾, 7⅞, 7 15-16 and near the close at 8%. 8¼% was asked at the close.

December 11.—Funds were 8½ bid but came out at 10%. Touched 11% and eased off to 10½ and 10¾. Down to 10 for the close.

	Sterling		Francs	
	Demand	Cables	Demand	Cables
Dec. 5	3.89¼	3.90	10.32	10.30
Dec. 6	3.86	3.86¾	10.73	10.71
Dec. 8	3.84¼	3.85	10.92	10.90
Dec. 9	3.83¾	3.84½	11.75	11.50
Dec. 10	3.71	3.71¼	11.42	11.40
Dec. 11	3.70	3.70¼	11.62	11.60

*Nominal market very uncertain at the opening.

The future is as uncertain as ever, and although one exchange dealer ventured to suggest that the worst has been seen in New York funds, his opinion would not be generally corroborated.

STERLING

A. H. Walker, general manager of the Sterling Bank, has been appointed a director of the bank.

L. G. Fox, who was teller at the Port Rowan branch, has been transferred to the Sudbury branch as teller.

H. D. Robinson, teller at Sudbury, has been temporarily transferred to the head office of the bank.

G. J. Evans, formerly of the Winnipeg branch, and who has returned from overseas, is engaged temporarily in the head office.

W. W. Regan, formerly at the Eden branch, has been appointed manager at Glenella. The vacancy at Eden has been filled temporarily by H. H. Westman of Winnipeg.

F. B. Roberts, has been transferred to the Winnipeg branch.

W. G. Oram, who was accountant at Regina, has resigned and M. P. Cunningham, teller at Regina, has been appointed to succeed Mr. Oram.

W. O. Slawson, teller at Glenella, has been appointed teller at Regina.

MONTREAL

D. M. Christie, for the past ten years connected with the Bank of Montreal, has become associated with the Alexander Hamilton Institute as British Columbia representative. Mr. Christie, before proceeding overseas, was connected with the superintendent's office of the Bank of Montreal, under Campbell Sweeny.

MERCHANTS

F. L. MacGachen, manager of the Merchants' Bank at Collingwood, has been transferred to the management of the branch in Quebec City and will be succeeded at Collingwood by R. L. Whitman, who moves from Orillia.

The Merchants Bank of Canada opened a London branch in Cornhill, being the seventh Canadian bank to have premises there. A luncheon in commemoration of the occasion was attended by Sir Gordon Nairns, of the Bank of England, and many other English banking magnates. Col. Donnelly, of Montreal, formerly of the Canadian Pay Corps, is manager of the branch.

COMMERCE

W. M. Blockstock, manager of the Canadian Bank of Commerce at Nakusp, B.C., has been transferred to the branch at Trail, where he will assume the management.

ROYAL

Earl Palmer, who was formerly on the staff of the Royal Bank at Clinton, and who recently returned from overseas, has joined the staff of the branch at Windsor.

One of the most important real estate transfers to take place in Elmira in many years was closed recently, when the Royal Bank of Canada purchased the Halifax House there. It is the intention of the bank to remodel the old hotel into the most up-to-date and best equipped banking office.

The Royal Bank has leased a part of the new Oliver block, and will establish an office at the corner of King and Wellington streets, Sherbrooke.

TORONTO

T. B. Chester has been appointed manager of the New Lowell branch of the Bank of Toronto.

UNION

With branch openings at Dropmore, Man., Hillhurst, Alta., Roseisle, Man., Ruthilda, Sask., and Vancouver (City Heights) the Union Bank of Canada has brought its branch system up to a total of 389 branches.

In the Winnipeg General Hospital drive for $200,000 the Union Bank of Canada appears in the subscription list with a donation of $5,000.

The Lethbridge Herald announces that the residents of Blairmore, Alta., presented J. M. Windsor, local manager of the Union Bank of Canada with a handsome sterling silver set including teapot, sugar bowl, cream jug, two bon-bon dishes and two colonial vases, prior to his transfer to the management of the Boissevain, Man., branch.

A. M. Rowell, returned from overseas, has been appointed ledger-keeper at Sceptre.

W. N. Moran has been tranferred from Airdrie to Grassy Lake as teller-accountant.

E. E. Watson, Regina, has been appointed as Assiniboia.

S. B. O'Connell, head office, has been appointed acting manager of Osborne and Corydon (Winnipeg) and the former manager, A. G. Duncan, has been given a head office appointment.

W. Embury has hee appointed acting manager at MacLeod, Alta.

W. Bell, audit officer, Regina, has been transferred to the Inspection Department, Winnipeg. S. S. Shaw has been appointed audit officer with headquarters at Regina.

J. D. Medd, returned from overseas, has been attached at Fisherville.

G. P. Sylvain returned from military duty, has been attached at West Lorne, Ont.

J. S. Burton, Kingsville, has been transferred to Toronto branch.

J. G. McKendry, Fisherville, has been transferred to Kingsville.

W. R. Rahl, Sunnyside, Toronto, was transferred this week to Hamilton, and F. H. Dean of Hamilton to the Foreign Exchange Department, at Montreal.

BANK OF ENGLAND

LONDON, Dec. 11.—The weekly statement of the Bank of England shows the following changes:

Total reserve decreased	£ 580.000
Circulation increased	449.000
Bullion decreased	130.721
Other securities decreased	1.735.000
Public deposits decreased	620.000
Other deposits decreased	8,843.000
Notes reserve decreased	453,00
Government securities decreased	7,096.000

The proportion of the bank's reserve to liability this week is 13.63 per cent.; last week it was 13.21 per cent.

SMALL INCREASE SHOWN BY WEEKLY BANK CLEARINGS

Two Cities in the East and Four in the West Show Decline

Returns of bank clearings for the week ending December 11, from twenty-three cities reporting, show a total of $376,320,724, as compared with $356,717,464 for the corresponding period in 1918, an increase of $19,603,260, or 5.5 per cent.

WEEKLY BANK CLEARINGS
(In comparison with same week last year.)

Eastern Cities.	Dec. 11, 1919	Change	%
Montreal	$ 167,028,108	+$ 32,873,458	24.5
Toronto	110,131,036	+ 34,653,438	45.9
Ottawa	12,454,386	+ 130,985	1.0
Hamilton	6,857,302	+ 1,891,432	38.0
Quebec	6,099,587	+ 453,046	8.0
Halifax	5,480,300	+ 1,385,417	33.8
London	4,347,859	+ 1,098,637	33.8
Brantford	2,102,640	+ 984,712	88.1
Peterboro	878,647	— 70,967	7.4
Sherbrooke	1,018,442	+ 220,243	27.6
Kitchener	1,407,646	+ 651,242	86.1
Total, East.	$ 276,307,570	+$ 27,607,642	11.1

Western Cities	Dec. 11, 1919	Change	%
Winnipeg	$ 63,081,116	—$ 13,105,710	17.2
Vancouver	15,598,088	+ 3,619,823	30.2
Calgary	9,857,302	+ 1,836,705	22.9
Victoria	2,444,075	— 357,722	12.7
Saskatoon	2,497,027	+ 71,878	2.9
Moose Jaw	2,028,068	— 526,349	20.6
Ft. William	1,000,312	+ 70,711	7.6
Brandon	1,058,664	+ 151,862	16.7
Lethbridge	749,185	— 66,996	8.2
N. Westminster	529,508	+ 27,303	5.4
Medicine Hat	589,256	+ 60,124	11.3
Prince Albert	580,553	+ 213,959	58.4
Total, West.	$ 100,013,154	—$ 8,004,382	7.4
Grand total	$ 376,320,724	+$ 19,603,260	5.5
Yr. to date.	$14,904,550,878	+$2,349,183,146	18.7

Province of Quebec--City of Verdun

PUBLIC NOTICE is hereby given that the Council of the City of Verdun will receive until the 22nd day of December next, 1919, at 5 o'clock p.m., at the office of the undersigned, James Wishart, clerk of the City of Verdun, written tenders for the purchase of the whole or any part of an issue of debentures of the City of Verdun, amounting to $225,000, issued under By-Law No. 164, duly approved according to law, dated the 1st day of May, 1919, with interest coupons at the rate of 5½% per annum, payable semi-annually on the first day of May and November of each year at the office of the Home Bank of Canada, City of Montreal, or the National Park Bank, in the City of New York, U.S.A. Such debentures to be redeemable on May 1st, 1939.

The said tenders will be considered at a public sitting of the Council of the City of Verdun, which will be held on Monday, the 22nd day of December, 1919, at 8 p.m.

Every tender must be accompanied by an accepted cheque equal to one per cent. of the amount of this loan. After the opening of the tenders the cheques deposited by the tenderers whose offers are not accepted shall be handed back to them without delay; that of the tenderer whose offer is accepted shall be handed back to him after the execution of his contract.

Every tenderer shall specify whether the price offered does or does not include the interest accrued on the bonds at the time of their delivery.

The City of Verdun does not bind itself to accept any tender.

Given at Verdun, this third day of December, one thousand nine hundred and nineteen.

JAMES WISHART,
Secretary-Treasurer.

The Care of Your Property

If you have not the time or do not feel qualified to look after your property, the responsibility can be transferred.

This Company is equipped to act as your agent, either temporary or permanent.

The Service it renders covers the care of investments, the handling of real estate, the collection of dividends and such general care of your property as you may desire.

The cost for this service is moderate.

PRUDENTIAL TRUST COMPANY
LIMITED

Head Office: PRUDENTIAL TRUST BUILDING, Montreal
BRANCHES: HALIFAX, ST. JOHN, TORONTO, WINNIPEG, REGINA, VANCOUVER, LONDON, ENG.

Please Ask Questions

IF you, as a subscriber to THE FINANCIAL POST, desire information on any Canadian security, or other financial matter, you have the privilege of requesting it from the publishers of THE POST. Enquiries are treated confidentially and are answered by mail. Please enclose stamp for reply.

The entire issue having been sold, this appears for purposes of record only.

85,000 Shares

William Davies Co., Inc.

(An Illinois Corporation)

Participating Class A Shares

Preferred as to cumulative dividends at the rate of $4 per share per annum, payable quarterly, and participating share for share, after Class B or Founders' Shares have received dividends to an amount equal to $5 per share per annum for all preceding years.

Preferred as to assets to an amount equal to $50 per share and accrued dividends, and participating in further distribution share for share, after the Class B or Founders' Shares have received $50 per share and any unpaid dividend (whether declared or not) up to $5 per share per annum for all preceding years.

Exempt from present personal property taxes in Illinois and from the present normal United States Income Tax

CAPITALIZATION	TO BE OUTSTANDING
Class A Shares	100,000 Shares*
Class B, or Founders' Shares	66,000 Shares*

*Both Classes of no par value

There will also be outstanding $1,183,500 of 6% Sinking Fund Bonds, due 1926, secured by a mortgage on the Canadian Plants and a real estate mortgage of $140,000 on the Chicago property.

Mr. E. C. FOX, President, has written us a letter which he summarizes as follows:

Business established over 50 years, comprising full line of packing house products with plants in Toronto, Chicago and Montreal, and distributing its products throughout Canada, the United States, England and Continental Europe.

Gross sales $68,000,000 for the twelve months ending March 31, 1919. The fourth largest exporters of hams and bacon in the United States and Canada.

Purpose of financing is to acquire stock of men who have for some time past been inactive in the management, add to present properties and secure additional working capital.

The present management, which since 1914 has trebled the capacity and output of the properties, is to continue.

Average net profits after all interest, taxes and depreciation for 4 years, ended March 31, 1919, amounted to $1,218,902, equal to over 3 times the cumulative dividend of $4 per annum on the Class A Shares, or at a rate of more than $7 per share on both classes of stock.

Net tangible Assets aggregate $10,259,230, an amount equal to $102 per share on the Class A Shares. Net quick assets, $4,305,616—an amount equal to $43 per share on Class A Shares.

It is planned to make application to list these shares on the New York, Chicago, Cleveland, Toronto and Montreal Stock Exchanges.

Price: $50 per Share
(Payment in New York Funds)

Deliverable when, as and if issued and accepted by us.

Otis & Company
Cleveland

Kissel, Kinnicutt & Co.
New York

Dominion Securities Corporation, Limited
Toronto

R. C. Matthews & Company
Toronto

Osler & Hammond
Toronto

The above information and statistics are not guaranteed, but we believe them to be accurate.

NEWS AND VIEWS FOR MANAGERS

DEFINITE EFFORT IS BEING MADE TO UNIONIZE CLERKS

Montreal Likely to be the Ground of a Test of Strength

GEN. MANAGER'S VIEWS

Believes That Movement Will Fail and That Clerks Must Look to Attainments by Other Means

The question of unionizing bank clerks continues to be a live and absorbing topic among bank men. In Montreal the movement has taken very definite form, and in Toronto preliminary steps towards organization have been taken in union circles; at Winnipeg and other central points there have been agitations in the same direction. There is a feeling, however, that Montreal has been chosen by the International Labor officials for a test case, offering as it is claimed in labor circles, a possible membership of some 3,000 employees. Several meetings have been held already this week in different sections, but so far the public speaking has been confined to officials of labor unions. At these the main points of attack have been salaries in general, and the regulations governing marriage. Demands have been made that in the latter case restrictions be removed entirely rather than that the "salary limit" covering permission to enter this state be lowered.

Opinion is divided among bank men as to what influence the union affiliations of the new movement will exert on the majority of bank men.

In some quarters there has been a disposition among the clerks and some officials to disparage this as a mixing of "trades" and "professions," "salaries" and "wages," and to urge, instead, an organization that shall be independent of the Trades and Labor Council of each locality. Among many of the clerks there is a disposition to insist on a co-operative movement that shall have no outside affiliations, but be restricted in control and officers to bank clerks. On the other hand there are head office men who deprecate any attempt to look down upon the labor unions who are interested in this new movement, as such; they base their opposition to no such distinction mentioned above but oppose the unionizing movement from a broader standpoint, such as is referred to later on. Undoubtedly, however, the other feeling will be instrumental in deterring many from joining the new organization.

Ghost of the Winnipeg Strike

In general, the attitude of the banks may be stated to be a waiting one, anxious to be in touch with the motives that are prompting the movement, insofar as these originate with their own men and are not the product of a natural trades union desire to extend the union idea as far as possible. There are some who fear that behind the effort to organize the clerks are the most extreme radical ideas, whose successful development would be fraught with great danger to the whole financial fabric of Canadian life. Lurking in the background there arises the ghost of the Winnipeg crisis, and the struggle Toronto had, and Montreal, and Boston and other cities to combat the unionizing of employees in public services: in which the Dominion Government also figured in its clash with groups of postal employees in certain cities in Western Canada. In other words, the situation that has arisen, in the opinion of many, may be mostly harmless, or one teeming with very potent forces of evil for the national life of the country, at the vital points in which the banking system touches it.

THE FINANCIAL POST presents in substance the views of a general manager of one of the banks in which this latter view is developed, as an informing contribution to a question that must continue to exercise the minds of those responsible for the executive management of all the banks in this country:

The Salary Question

"In the first place let me say that I have the fullest sympathy with the desire of the clerks for a salary basis that would make life easier for them. This point has been one that has troubled us most of all, especially the last two or three years. The banks have gone a long way in raising salaries; but these remain with us, as in the great majority of cases, inadequate. On the other hand the bank clerk with $1,200 salary is in exactly the same position, relatively to the high cost of living, as the clerk in the warehouse or the department store. The latter have the same difficulty in making it suffice. It is a complaint that applies to practically all clerical positions the world over. So far as the banks are concerned, they are faced by an abnormal position: their raw material—deposits—may be said to be the same "price" as before, for the same rate of interest is paid; but the "cost of production" — in salaries and other overhead expenses—has advanced tremendously for the banks. On the other hand, for the "finished product" we receive exactly the same amount as before the war, as before costs went up—for we have not advanced rates for loans. That is the great stumbling block when we are faced with the need for further advances in the salaries we pay for our clerks. What is required is an educating of the public to make a change possible, which would react in favor of the clerks.

The Final Weapon

"While I have the greatest sympathy with any movement that seems likely to improve the position of the bank clerks, my opposition to the new Union that is proposed is due to the fact that I am convinced that the method being attempted is not such as to benefit its members. At the present stage there is no suggestion of anything except a strengthening of the hand of the clerks as a group in making demands for higher salaries—shall we say?—or changes in the marriage regulations. But suppose they do not succeed in these demands—what is the logical step that will be proposed next? Nothing short of a strike, to enforce the granting of these demands; and a strike, in the usual course of events, that would not be limited only to the employees of those banks that refused to grant the demands but to all banks. This is the weapon that lies behind the formation of a union under international auspices.

Might Become a National Danger

"Where does this lead us? Exactly where the struggle against a policeman's union, and a firemen's, and a union of civil servants, affiliated with the Trades and Labor Councils. It at once becomes, not a matter limited to the banks, but a national danger; a question where the Government itself might be forced to intervene. I am not so sure that it is not a more dangerous position than permitting firemen and policemen and other classes of public servants to place themselves under the control of unionism, for at one blow the whole credit system of the country might be tied up, and the whole organization of Government, and our international relations, all of which are based on credit and confidence. Perhaps to a greater extent than any of the others the bank clerks belong to the public service. If they went out in a body the financial operations of the country and industries would be tied up. They could not be replaced by substitutes, and without the operation of the banks, business would be brought to a standstill almost immediately. It is this aspect that makes this question a most serious one so far as its possibilities are concerned. But if this is placed before the employees of our banks in a clear light, and they come to realize the part they play in national life I think they will recognize the dangers that lie in the present proposal for the Bank Clerks' Union. Only through a spirit of patience, good-will and mutual confidence can the welfare of our employees be best conserved."

IF HARRIS STEPS IN SIR GEORGE MUST STEP OUT

Continued from page 1.

looked over was J. B. M. Baxter, of New Brunswick, who is best known from his connection with what is known as "the potato scandal" in New Brunswick, one of the things which helped to bring about the downfall of the late Conservative administration there.

Resignation Possible

It would not be very surprising if Sir Robert Borden should solve his difficulties before long by resigning, and handing the assets over to the Hon. Arthur Meighen to make what he can of them. In that case, Mr. Meighen would probably do the wisest possible thing by declaring Union Government at an end, and forming a straight Conservative administration. With the exception of Sir Robert Borden himself, no one seems anxious to see Union Government prolonged. It might be better all round if the parties would get back to their old alignment, and that we should have a stable Conservative administration formed which could get on with the work of the country. Business is now suffering from politics. Unless this is done soon, the road is open for further chaos.

Canadians who have any doubt of the future commercial greatness of their country, receive no sympathy from Lloyd Harris. To talk with him is to be convinced that all we require to secure a big share of the world's commerce in the future, is to have a little confidence in ourselves. With such a man at the head of the Department of Trade and Commerce, the "future" which we have been talking about so long would have a fair chance of being realized. It will be a pity if this chance is thrown away.—T. M. F.

BANK STOCK CHANGES

	Last Dec. 4	Sale Dec. 11	Ch'ge
Commerce	198½	197	— 1½
Dominion	204	204	....
Hamilton	*191	188½	— 2½
Hochelaga	155	155	....
Imperial	197½	198	+ ½
Merchants	188	190	+ 2
Molsons	191	190	— 1
Montreal	210	209	— 1
Nova Scotia	273½	273	— ½
Royal	215	216	+ 1
Standard	209½	209½	....
Toronto	195½	195	— ½
Union	160	162	+ 2

*Last previous sale.

SHOULD FARMER HAVE A TRACTOR OR POWER TRUCK?

Operating Costs Important in Relation to Farm Products

THE MODERN METHODS

Bank Managers Can Assist Farmers in Studying Production Costs and Market Returns

Several articles have been printed in this column recently advising bank managers to get closer to the farmers and suggesting that the Grain Growers, the U.F.O. and other organizations throughout Canada present an opportunity for taking an aggressive part in the affairs of agricultural communities. There has been a contrary argument offered that membership in such organizations is likely to lead to a lot of work for the bank that will not bring profitable returns—that, in fact, the farmers individually and collectively think they are entitled to a lot of free service which actually cost the bank money. This is a point which must be kept in mind, of course, but I do not think that it should be a deciding factor in the matter. The branch manager should be able to sell the service of his bank if he adopts the proper tactics, for while the farmer may be quite willing to accept free service, he is usually fair-minded enough not to insist on something for nothing when he is not entitled to it.

If we are willing to concede, therefore, that it is good business to be on friendly terms with the farmers of the community served by the country bank, the manager may well consider methods by which he may establish such relations. It is usually found very effective to study farm problems; to be able to talk about the crops, the markets for grain and livestock, the outlook regarding prices and other matters which have a direct and indirect bearing upon the business end of farming, but which are so often neglected by the farmer himself. There never was a time when it was more important for the farmer to keep in touch with the market situation and to study his production yields and costs in relation thereto. The science of business is being more and more rigidly applied to agriculture, and the man who has not some idea of the production costs of his grain, roots, livestock or other products in relation to selling price cannot expect to be successful. What will be profitable for one farmer to produce may mean a loss to his neighbor.

I find that progressive managers in some rural districts are making a study of the application of power machinery to production costs, believing that every modern method of reducing labor charges should be resorted to when the investment involved can be made advantageously. Regarding this development in power farming, an American contemporary says:

Power farming is now attracting the attention of the most progressive of the agriculturists. The substitution of the gas engine for animal power is going on rapidly. The first uses of the gas engine were for churning, sawing wood, threshing and like service. Now the farm tractor has become an almost indispensable bit of machinery for the farmer who has any great amount of land to cultivate. A half dozen years ago less than 3,000 tractors were in use on the more than seven million farms in the United States. To-day almost a hundredfold increase is noted and tractors are only beginning to receive the serious attention of farmers in general.

Regarding a Tractor

The farm tractor is a problem for the average farmer which might well be considered by the bank manager. It is still a debatable question as to whether a tractor is profitable for the small farmer. On this question I note the following in an article in "Commercial West":

In the tractor's favor is the fact that during the period in which farm operations are not active it is not a consumer of feed stuffs, nor does it require daily attention. Many farmers with a quarter section of land have proved to their own satisfaction that the tractor is a valuable assistant and less expensive one than horses required to perform the same amount of labor. Not alone this but its use allows the cultivation of the land quickly when conditions are at their best.

As to the kind and power of tractor, all depends upon the requirements of the individual farmer. Considerable attention has been given of late as to the cost of tractor operation in the plowing and cultivating of land. The Extension Department of the University of Minnesota recently presented figures as to costs of operation. It was found by using 500 work hours per year at a basis of calculation that a two-bottom plow can be operated at a cost of 94 cents per hour, or $1.58 per acre; a three-bottom plow at $1.24 per hour, or $1.55 per acre; four-bottom plow at $1.52 per hour, or $1.52 per acre. These figures indicate that any particular job would not vary materially whether done with a two, three or four-plow outfit. Thus it can be seen that the average farmer might find it advantageous to use a tractor of moderate power.

On big farms, of which there are many in Western Canada, the advantage of the tractor has been amply proven. The head of a large farming corporation says:

We have tried several sizes of tractors and have proven conclusively that the most economical unit is the largest machine we can buy, as the labor cost in any manufacturing enterprise is the large cost and by using large engines we reduce our labor costs per acre and at the same time find it easier to get high-grade operators. On a large machine one man will do the work of several and we can pay him several times what we would pay an unskilled operator, and, as a result, we till more acres and have a much less maintenance cost on our equipment.

The Power Truck

The farm power truck is another piece of modern agricultural equipment upon which the bank manager should post himself.

For a number of years farmers were loath to use motor trucks on the farm just the same as they were opposed to the use of the automobile when it was new. To-day in the Western country more than two-thirds of all automobiles are in the hands of farmers. The pleasure automobile has helped the farmer to realize the utility of the farm truck, and its use is increasing at a ratio which equals the progress made by the pleasure automobile. The farmer has discovered that in the hauling of grain and produce from the fields to the storehouse, and from the farm storehouse to the markets it is more economical and more satisfactory in every way than the old horse-drawn farm wagon. Good main roads are now found in the greater part of the Western country and the farmer finds that with the farm power truck he can make a trip to market in a few hours that formerly occupied a day or two, and by using tractors can transport from five to ten times the load.

These are only a few of the matters of every-day importance which the manager of the country bank should be more or less in touch with, not to mention the all important matter of advising him as to simple and effective methods by which he can conduct a set of farm books, so as to analyze his business position and thus improve his credit standing with the bank to the mutual advantage of both the bank and himself.—J.W.T.

EMPLOYMENT SITUATION

Less Placements During Third Week of November, 1919

OTTAWA.—The Employment Service of the Department of Labor reports that returns from the Dominion and Provincial offices of the Employment Service of Canada for the week ending November 22nd, show a decrease in placements as compared with the returns of the preceding week. During the week the 92 offices reported that they had referred 7,952 persons to regular positions, and that 5,914 of these had received employment This represents a decrease of 993 as compared with the previous week, when 6,907 persons were placed. This decrease was due to a decline in placements in the lumbering industry in Manitoba. In addition, 1,450 casual jobs were supplied as compared with 1,247 of the week ended November 15th.

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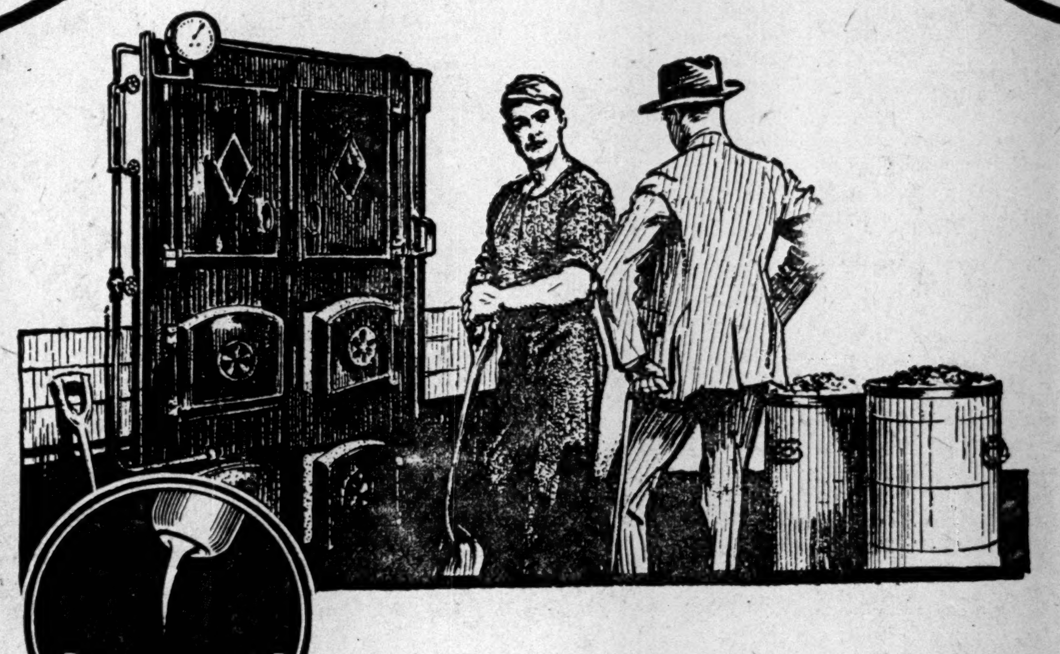

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TORONTO, DECEMBER 13, 1919

THE PEOPLE VS. ANARCHY AT WINNIPEG

WE have repeatedly contended in these columns that the fight in Canada was not between Labor and Capital but between the people of Canada and agents of Germany who desire to weaken Canada's efforts at world trade. This has been made quite clear in the evidence produced at the trial now going on in Winnipeg. The men who fomented the Winnipeg strike show by their statements and correspondence that they were trying to break the labor unions, not to help them.

In the face of all this why have all our papers of the press persisted in calling the Winnipeg strike a fight between Labor and Capital? It was a fight between anarchy inspired by foreigners and the people of Canada, with respectable labor entirely on the side of the people of Canada.

The two last annual meetings of the Dominion Trades and Labor Council proved this. At Quebec last year the pro-Germans tried to get control. When they failed they organized an opposition body. At Hamilton this year they were completely defeated by the loyal labor leaders.

REORGANIZING OUR TRADE DEPARTMENT

LLOYD HARRIS, Canadian Trade Commissioner, in a recent speech, unintentionally brought out one of the strongest bits of evidence in support of the criticism of our Department of Trade and Commerce and our High Commissioners and other offices in London. In all the years they have been working, he pointed out, they have never gotten into touch with the agents of the Crown Colonies of the Empire. These men have been buying millions of dollars' worth of goods that Canada could have been supplying. They were not placed in Canada because our High Commissioner and agents never took the trouble to put Canada's products before them. During all these years Canada has maintained at great expense an agency in London that is within a few blocks of all these big buyers.

THE FINANCIAL POST has been saying that we needed a practical man at the head of the Department of Trade and Commerce and practical agents to represent us abroad. What further evidence does the Prime Minister want of the necessity for an immediate change?

Our Department of Trade and Commerce has persistently put obstacles in the way of the Canadian trade and technical newspapers getting in touch with probable buyers of Canadian goods throughout the world. They even forbade the Canadian Trade Commissioners giving information direct to any Canadian business newspaper. Are these papers of use? Here is a practical example—an item from an English news bulletin:

"The Federated Farmers' Co-operative Association of South Africa have informed the British Board of Trade that they and other institutions in that country receive the important U.S. and other overseas trade and technical newspapers but not the British. They draw attention to the fact that numbers of merchants and others consult these copies and the absence of British trade newspapers is said to be the cause of diverting trade into foreign channels."

Also read the following communication from the British Vice-Consul, Liege, dated September 8, which has been received by the Department of Trade and Commerce, Ottawa:

"Thanks to the far-seeing and patriotic support of the editors of the leading British trade newspapers, of which no fewer than 25 are furnished, the normal equipment of this section is rendered much more important than would otherwise be the case, and the journals are studied by a large number of prospective customers for British goods."

WHO PAYS THE STRIKE BILL?

THE coal strike was not long a reality before it was discovered that it was not Capital or Labor that stood to be the chief actual sufferer, but the general public. The relationship of the average person to the strike is effectively described in the following letter in the Chicago *Tribune*:

Tipton, Ia.—(Editor *Tribune*).—I live out on the prairie 40 miles from nowhere. Talk about being a lone worker in a coal mine! I worked all day in the boiling hot sun and half the night to raise and harvest food to keep your wife and babies from starving. My good wife worked with me when she was able, helped me care for the livestock and milked the cows evenings so I could work longer in the fields to help feed you and yours. I did not even take a day off during the busy season to haul my coal from town lest some of your food be wasted. When I thought to make a big profit on my wheat your Uncle Samuel comes along and fixes the price. I take my medicine. No talk about autocracy or class legislation or an eight-hour day. It was my duty to my country, etc.

Now, Mr. Coal Miner, the cold wave is upon us. My wife is confined to her bed, and please remember it is just as hard for me to watch my wife and babies freeze or die from the cold as for you to watch yours die from hunger. Talking of hardships in this life of ours, such as being deprived of fresh air and sunshine in a coal mine, I would indeed welcome a little of your coal mine shade during harvest and your shelter from the winter's blasts when during a blizzard I am trying to get your food to market and haul a load of coals if it were possible for me to get any, which is not the case at the present writing. And how many times I have envied you your short hours when after a hard day's work I had to sit up all night with the livestock. You wouldn't last half as long in a Western blizzard as I would in an Eastern coal mine.

But I have a good come back. My corn is still in the crib. I can use it to better advantage for fuel than you can use your coal for food. I do not say what I will do, for it is against the law of our land to burn foodstuffs. But if it comes to the "survival of the fittest" we can all take a hand.

Still trusting that you will see your error and go to work to get some coal before I am forced to burn up your food, I am yours truly,

Now, as made clear by "Farmer John," there were many who stood to suffer innocently by the strike. This was evident because coal is a necessity and the shortage was immediate. The effects of other strikes are not dissimilar in the last analysis. Idle plants mean lost production. Shortage of goods and higher prices are the inevitable consequences. The great bulk of consumers—the general public—suffer.

Labor disputes will continue to occur from time to time but it is for the members of the Government, as representatives of the people, to endeavor to prevent these costly tie-ups which have such far-reaching consequences. stern action must be taken to curb the agitators. And it is to be hoped that workers will soon learn this lesson—the lesson of lost production—and that the consumer pays.

MORE PAY AND SHORTER HOURS

IN the Chicago *Tribune* the following statement was published by John S. Capper, of the men's furnishing goods firm of Capper & Capper, as an advertisement:

The world is hungry for the things we eat, wear and use. Stark hungry! The cupboard is bare as a bone. Prices mount to staggering figures and the cry of our worker is—*more pay; shorter hours*—and then a shortage shoots the price of things up another notch; again the cry—*more pay; less hours.*

Ye Gods! Must the vicious circle continue? Shall we never see that it is *more hours* we need, that to reduce the cost of the things we use, we must produce not *less* but more?

I just received a cablegram from my brother in London, reading, "Market bare, prices awful, hopeless, sailing home. Oh, if Americans would grasp their opportunity."

Prices had gotten so high in this country and merchandise so scarce, we sent two of our firm abroad, hoping to find what we needed and at lower prices. The cable message was the answer! Merchandise is even shorter on the other side than here. They have nothing to sell and their shelves are bare. They want to buy—to buy from America—to buy the things that Americans make—and the answer of our workers is—*reduce our hours*—44 hours a week instead of 60—a cut in production of 25 per cent.

The writer sympathizes with those who work. He understands what hard work, privation and the struggle of life is—he has lived it. He has walked eight miles a day to earn fifty cents, carrying water for the workers who built the town of Pullman. He has gotten out of bed at 3.00 o'clock to milk 15 cows on a winter's morning. He has put in 15 hours a day in a store. He is not a natural born plutocrat; rather—he is the son of a steel worker. He feels that he knows the needs of those who struggle, but anyone would be indeed foolish who failed to see that the waste of time by carpenter, plumber or other worker in turn raised the price of rent, raised the price of the very clothes that he himself wore, and everything used by him or his fellow worker.

Short hours in the city has made the farm worker restless; he, too, wants short hours and increased pay. May Kind Providence preserve us if farm workers ever insist on 44 hours per week, or an eight-hour day. You and I, my friend, will go hungry. I farm 800 acres and I know what short hours in the city is doing for the farm.

We may still keep high wages, we may keep our present scale, and still reduce the cost of living by a simple remedy—*work*—good, hard, honest, faithful service—not 8 hours, rather 10 and then some. Let us for one year, at least, resolve to work, and work with all the energy that we possess.

The supply of essential things, already inadequate, is daily growing less and the consequent advance in prices is fast putting even the necessities of life beyond the reach of any but the rich. We cannot expect to increase production and continue to reduce working hours. Less work means less goods and less goods means higher prices. The burden must eventually be borne by the great mass of consumers.

EDITORIAL NOTES

THE Toronto *Mail and Empire* effectively observes, in commenting on the Beck radial railway schemes, that "as radials are notoriously speculative, the proposition should be judged entirely on its own footing, not because it is an offspring of the power scheme."

* * *

THE election of H. H. Halbert, on the Farmers' ticket in North Ontario, was largely decided on the basis of urban against rural votes. In this we see evidences of a new and not unnatural party alignment which may quite easily be the outcome of this present political turmoil.

* * * *

PREMIER DRURY has announced that he will proceed against the combines. This was to be expected. Those who know him believe that he is opposed to these combinations which restrict trade rather than to those tariffs which protect industry.

* * *

AFTER the treatment which has been accorded private power interests in Ontario in the refusal of fiats to take their cases to court, there is something of poetic justice in the fact that Ottawa is now taking a similar attitude in regard to Sir Adam Beck's $5,000,000 claim.

* * *

THE report of Judge Barron on the Toronto Street Railway strike—which tied up the system during a busy hour while the National Exhibition was on—laying the blame upon the union official who called the men out, endorses and justifies what THE FINANCIAL POST said at that time about the necessity of Labor as well as Capital recognizing that the public interest must be served.

* * *

THE secession talk in New Ontario does not appear to have more real foundation than similar talk in Western Canada. However, in both cases it serves to remind the people of the older sections of the country that in Canada new interests are being constantly developed which must have consideration in the policy of the Government of the day.

* * *

THE U.S. courts after a long fight have decided to evict Emma Goldman and Alexander Berkman, two anarchists, who have been several times visitors to Montreal, Toronto and Winnipeg, inspiring labor troubles and endeavoring to establish a Soviet. It is extraordinary that persons like them, who are dissatisfied with conditions in Canada and the United States, should put up such a persistent fight against being sent to their ideal country—Soviet Russia. They say that within five years this continent will be under Soviet Government and Eugene V. Debs, who did not want us to fight Germany, will be Ambassador to Russia.

THE "VAG"

Detroit "News."

The Hydro and the Government

THE new Ontario Government has been asked by Sir Adam Beck to adopt the policy of the Hydro-Electric Commission with all that it involves and to appoint him as chairman of the Commission for a further period of ten years. In view of the many millions involved at present and of the many additional millions which projected enterprises will require—a total of $300,000,000 to $500,000,000 has been mentioned for Hydro-Power and Hydro-Radials—the Government must assume a great responsibility in deciding its policy. It may be timely, therefore, to refer further to some of the outstanding features of the situation as it now exists.

It is evidently assumed by Sir Adam Beck that he will be given a free hand in co-operation with two other commissioners, or more, to develop his present plans and his future plans in the way he deems best. It is true that the Government is to be represented on the commission by Lt.-Col. Carmichael, but it cannot be expected that he can master the programme of the past thirteen years and inform himself upon all the difficult financial, engineering and commercial questions involved, within any short period of time, however well qualified he may be to do so. So the Government, whether they liked it or not, would have to accept the advice of Sir Adam Beck up to the point when they would stand committed to his expenditures, past, present and future, and to his policy as it stands to-day.

Great Technical Problems

The development of the water powers and the establishment of a system of electrical railways in the Province of Ontario is not an ordinary undertaking. As a matter of fact, it is doubtful if there is a more difficult enterprise before the country to-day. The highest degree of technical skill is required in civil engineering, electrical engineering, hydraulic engineering, railway construction and operation, finance and commerce—and not only skill but tried experience.

The question has always been whether or not the Government would support Beck's plans, not whether these plans would be successful or not, on a commercial basis. Political power has been used where an appeal to business and financial judgment would undoubtedly have failed.

These enormous undertakings have never received the approval of independent boards, competent experts or technical advisors. Not only this, but there have never been properly audited and certified accounts submitted to the Government and to the municipalities and to the public sufficient to give full information of the expenditures made, and to be made, and of the present condition of the operating accounts. In other words, it may well be questioned to-day whether the Hydro-Electric Commission is in a solvent condition.

Provincial Auditor's Control Evaded

Sir Adam Beck has stated and continues to state that proper statements have been submitted to the Government and to the municipalities, whereas the facts are that about the year 1912 Mr. Clarkson made a report to the Government which was never published. Up to the year 1916 all cheques of the Hydro-Electric Commission had to be countersigned by the Provincial Auditor, but owing to a dispute between Sir Adam and Mr. Clancy, Sir Adam introduced legislation and carried it, dispensing with this, and appointing a controller for the Hydro-Electric Commission to countersign the cheques. By a first Act the appointment was to be made by the Lieutenant-Governor-in-Council, but this was altered so that the appointment could be made by the Commission, Sir Adam thus retaining control in his own hands.

On the 3rd of May, 1916, an order-in-council was passed authorizing a report to be made, and it was submitted by Mr. Clarkson on the 22nd of August, 1918, and made public in March, 1919. This was a limited report relating to assets and liabilities. It was not an operating statement, and did not give information which all commercial companies are obliged to give every year to their shareholders—without which no private company could continue to carry on business.

It is no secret that some members of the late Government were in opposition to this state of affairs, fearing the ultimate end—however long it might be postponed—of undertakings carried on in such an unbusinesslike way. No disinterested person could approve of this uncontrolled dictatorship of the people's business and the people's money, because it is the fact, as THE FINANCIAL POST has already pointed out, that the other gentlemen sitting on the Commission from time to time with Sir Adam Beck did not have and did not claim to have the expert knowledge necessary to arrive at independent conclusions in such matters.

The public, having once fully given its confidence to the Hydro-Electric plans, did not care to withdraw it. The Liberal press lent its support, although in opposition, in a fight, as they considered it, between Government and municipal ownership on one side and the corporations on the other, and the Conservative Government upheld it because it had become the main plank in its platform, and had already been the means of maintaining it in power for a considerable period of time.

The Question of Political Control

Sir Adam Beck may claim that he wants the Commission to be free from politics. No doubt he does, if he fails to control the party in power, but it is an actual fact that it was political power which supported the movement from the beginning, and has carried it along ever since free from the restriction and control to which every other business enterprise is subjected in the public interest.

Is it sane or reasonable to launch a radial railway scheme upon the foundations of the power distribution business without having first established the success and the solvency of the original undertaking? Could such a thing be attempted in ordinary business?

The methods of Sir Adam Beck in obtaining the support of the Government through the municipalities are a burlesque. He is using them now with the interested municipalities throughout the country, and they are the same as he used before in connection with Niagara power.

The dangerous character of the proceedings in the municipalities can be illustrated by the incident at Galt on the 10th of December last, when Mayor Weaver of Hespeler questioned certain clauses in the agreement, to which Sir Adam Beck replied: "That the mayor talked as if he was a one-man Government, and he supposed he was; he considered no more glaring example of autocratic rule could be found anywhere."

PERSONALS

JUDGE W. A. DAY, president of the Equitable Life, New York, who delivered an important address before a convention of life insurance officers in New York last week was at one time attorney-general in the Washington cabinet. He frequently spends his summers in Canada on Lake Temagami.

A. M. IRVINE was appointed this week as general agent of the Hudson's Bay Co. at Montreal. Since 1918 Mr. Irvine has been in charge of the Montreal section of the export department of the company and will continue to supervise this in addition to his other new duties. There has been some talk of the removal of the head office of the company from Winnipeg to Montreal, which would increase the importance of Mr. Irvine's new appointment. Apart from his regular business duties Mr. Irvine has taken a prominent part in the work of the Boys' Naval Brigade of the Navy League of Canada and is chairman of the Executive Committee.

W. U. RUNNALLS, Provincial Inspector of Trust Companies for British Columbia, has been appointed to the position of manager of the British Columbia Trust Corporation. Mr. Runnalls has been in the civil service at Victoria for the past eighteen years and since 1911 he has held the position from which he has just resigned. In addition to his duties under the Trust Companies Act he has handled all succession duties work carried on by the Department of Finance. His wide experience in this class of work together with his business ability makes, says the "Financial Times" of British Columbia, him a valuable official for the British Columbia Trust Corporation, which he, together with his directors, are reorganizing with a view to aggressively entering the fiduciary field in the Province.

SIR JOHN C. EATON, who has been elected a director of the Canadian Pacific Railway in succession to the late Wilmot D. Matthews, is known wherever there is a post-office in Canada as the head of the great Eaton store and mail order house, which has its head office in Toronto and branch houses throughout the country. He has also become prominently known on account of his numerous benefactions. He contributed the private patients' wing of the Toronto General Hospital at a cost of $250,000 as a memorial to his father. During the war he loaned his private yacht to the Government and paid the salaries of all his employees who enlisted. His organization has recently taken some important steps towards shortening the working hours of their employees and increasing the number of holidays. He is a director of the Sterling Bank and a director of the Dominion Bank.

E. W. KNEELAND, who was recently elected to the board of the Merchants Bank, has been interested in the grain trade in the West for many years. Mr. Kneeland, who is a naturalized Canadian subject, having been born in the United States, of Canadian parentage, some fifty years ago, has devoted his whole life to the development of the grain business in the United States and Canada. He is now general manager of the British American Elevator Company, vice-president Port Arthur Elevator Company, vice-president Saskatchewan Elevator Company and Liberty Grain Company. He is a director of the National Elevator Company, Home Grain Company, Grain and Produce Exchange, Traders Building Association, Canadian Bond & Mortgage Company, all of Winnipeg, and he is, of course, a member of the Winnipeg Grain Exchange.

E. HOLT GURNEY, recently chosen to fill the vacancy on the board of the North American Life Assurance Company occasioned by the death of his brother, W. Cromwell Gurney, is the third member of his family to be connected with the company. His father, the late Edward Gurney, became president in 1912, which office he held until his death in September, 1916. W. Cromwell Gurney then succeeded his father as a member of the Directorate of the company. Mr. Holt Gurney was born in Toronto on August 25th, 1882. He received his early education at Jarvis Street Collegiate Institute, Toronto, the Model School, Toronto, and then continued his higher education at the University of Toronto. He graduated from there in 1903 and then became connected with his father's business. After several years of practical training in the Gurney Foundry Co. he is well qualified to fill the position of President (to which he was recently elected). During the war Mr. Gurney took an active part in the splendid work accomplished by the Imperial Munitions Board and was Director of Marine Machinery Supply, 1917-18, and director of the American Department of the Board during the year 1918.

THE LITTLE THINGS THAT COUNT

Wall Street Journal

It's the little things that count in life. That's why the child is taught "Little drops of water" and similar jingles. Fortunes are made by little savings; fortunes are lost through trifling leaks. What is smaller than the throat of the insect world? Yet, what is greater than the aggregate wealth insects drain from the country. Take, for instance, three of the most insignificant—boll weevil, cattle tick and fever mosquito. An infant's finger could crush them, yet they have changed the social and economic welfare of the South.

The former has put some states out of the category of important producers of cotton, has doomed sea island cotton to extinction, and every year costs about $200,000,000. Since 1892, it has destroyed 11,000,000 bales of cotton, or more than the present crop. The tick has prevented cattle raising in 700,000 square miles of country ideal for livestock. But for it, the South would be teeming with cattle, and 50-cent steak and $18 shoes would be unknown. It drains more than $100,000,000 a year from the country besides untold millions in secondary costs. There are 75,000,000 acres of swamp lands—the breeding places of mosquitoes—disseminators of fevers, which cost the country dearly. These are but three of the list of insect leaks which in the aggregate cost the country, according to semi-official estimates, $1,200,000,000 a year.

The Currency Position

Do you know how Canada's position compares with that of other countries? A question of grave concern to bankers, statesmen and investors the world over, well set forth in the new issue of the

GREENSHIELDS MONTHLY REVIEW

We will be glad to send you a copy on request

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Dealers in Canadian Bond Issues
17 St. John Street, Montreal
Central Chambers, Ottawa

INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of THE FINANCIAL POST. Many questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose 3 cents in postage stamps to cover postage on answers direct.

SHAWINIGAN AND ABITIBI

H. E. P., Quebec.—Do you advise the exchange of Shawinigan common for Abitibi preferred?

You ask whether you should exchange some Shawinigan common for Abitibi preferred. As we mentioned in "The FINANCIAL POST" recently, we have strong confidence in Abitibi preferred, and believe it now to have reached the point where it can be considered as a perfectly safe investment. When selling at 94, Abitibi preferred gives you a yield of 7.44 per cent on your investment, while Shawinigan gives you barely six per cent. So far as the immediate yield is concerned it would pay you to sell your Shawinigan and invest in Abitibi. Considering the question, say from the standpoint of one year from now, we think there is every reason to believe that Shawinigan will be paying a higher dividend by that time and the price of the stock would be selling for more than it is to-day, so that the lower return now would be more than equalled by the higher value of your stock.

Sorry He Has Not Had It For Years

J. H. K——, who conducts a general store in Alberta, in the shadow of the Rockies, and who has sent a query to this department, writes:

"I have only been receiving your paper a few months; sorry I have not had it for years."

SHAWINIGAN

Investor, Quebec.—I bought Shawinigan common at 122. Would be glad to have your opinion as to the effect of the conversion of the $4,500,000 two-year gold notes. Do you think this will greatly affect the common stock?

You will notice that the last few days there has been an improvement in the price of Shawinigan and it reached the price of 121 this week, which is two to three points ahead of what it has been selling at for some little time past. You ask about the conversation of the two-year-old gold notes which originally amounted to $4,500,000 and which have been changed into common stock since that time. We are informed that on Monday or Tuesday next there will be an official announcement made regarding the exact amount of these notes that have been converted and it is the expectation generally that by far the greater portion of them will have been taken up. The fact that such a large quantity of notes were hanging over the market and were being converted into common stock. has naturally had an effect on the price of the common stock.

The real reason, however, we believe for the common stock easing off, as it has for some little time past; has been the high rate of exchange which has made it a very profitable matter for the English shareholders of Shawinigan to dispose of their stock here and get advantage of the exchange. A rough estimate of the advantage that comes to them from selling now, compared with normal times, may be seen by taking exchange at four dollars for the pound, in place of the old par, $4.86 2-3. Under the old par if Shawinigan were selling at $118 a share, the English investor would get about twenty-four pounds, five shillings, whereas at the present rate he would get about twenty-nine pounds, ten shillings, an increase of over five pounds per share. We are informed on the best authority that large blocks of stock have been coming over and have been sold here on English account, and there is considerable quantity of stock held in England. So long as the process of liquidation goes on in this direction it is natural that there will be a rather easy price for the stock in the absence of any special market news which would tend to strengthen this. The same process has been going on, though to a less extent, in connection with Montreal Power, which went down to 87 this week, although now it is a little stronger.

We have every confidence in Shawinigan as a perfectly safe investment and that the value of the stock, so far as the assets for the shareholders are concerned, is steadily increasing and that it will not be long before the dividend is increased and the price of the stock goes higher on the market.

LAND CORPORATION OF CANADA

J. H. K., Alberta.—I should feel grateful for any information you are able to give me concerning the Land Corporation of Canada. This, I think, is an English company, some shares of which have recently passed into my hands, not paying any dividend at present. Can you tell me what lands they have and do you consider the shares worth holding?

The Land Corporation of Canada was registered in England December 13, 1881, with an authorized share capital of £250,000, in shares of £10, but in 1884 the liability was reduced by £5. In 1888-9, the writing down of capital by 10s. per share, the reduction of liability and the sub-division of the capital were carried out. The authorized capital at last advices was £75,000, in shares of £1, all of which had been issued and called for. From 1903 to 1910, the company paid dividends of from 7½ to 15 per cent., and in 1911 and 1912, 20 per cent. was paid. In 1913, the dividend was 10 per cent. At the close of 1913, the company held government and other securities at a cost of £28,309, while £47,423 was owing in respect of land sold, and there were cash in hand and bills receivable of £5,111; the landed estate then totalled 35,021 acres, and investments in Vancouver real estate stood in the books at £27,024. Since that time, as you are no doubt aware, conditions have been very unfavorable in the Canadian situation, and land companies have been able to do very little by way of realizing on their assets. However, conditions are now taking a turn for the better, and our advice would be to you to hold your stock in the hope of a resumption of immigration and higher values.

Cost Accountant required with experience in refining of metals. State age, nationality, salary required and experience; also give references. Box 11.

THE "INDUSTRIAL DEMOCRACY" PLAN SOLVES LABOR PROBLEMS

John Leitch Tells of His Ideas in Bringing Employee and Employer Together and How They Have Worked Out

JOHN LEITCH is one of the most interesting figures in the United States to-day. In his fifty-one years of living, he has gone from abject poverty and obscurity to a position of nation-wide prominence. Men who, ten years ago, did not even know his name, are turning to John Leitch now for help in solving their problems. He is a new prophet in the world of industry. Not the kind that "cries aloud in the wilderness." and quits at that, but the kind that gets down to brass tacks and does things.

And this is the great thing that John Leitch has done: He has introduced a new plan of co-operation between employers and their employees and he has made it work, not in one plant alone, but in more than a score of them. This is the plan as he himself explains it in the "American Magazine":

A year or two ago, in company with a certain manufacturer, I called on the president of a bank, and while we were in his office the following conversation took place:

"I understand," said the banker, "that you have been trying Industrial Democracy in your plant for over a year."

"Yes," said the manufacturer.

"How much were the savings due to it last year?"

"Eighty thousand dollars," was the reply.

"Fine!" said the banker. "That's a good showing."

After we had left the building my companion turned to me with a quizzical smile and said:

"I told him that our savings last year, due to Industrial Democracy, were eighty thousand dollars. Of course, we know that they were more than that. But I didn't dare tell him the whole truth. He wouldn't have believed me."

That is the way I sometimes feel myself. I often tell less than I believe the facts would warrant about the results of Industrial Democracy, becouse I know people will be skeptical if I tell the whole truth.

Not that it is one hundred per cent. perfect in its working out! It is a plan made by and for human beings; and it must be administered by average men and women—not by angels from heaven, nor by saints or supermen on earth.

So long as men are human, and therefore imperfect, they will not be able to run any plan with infallible judgment and with perfect results. No baseball player ever achieved a thousand per cent. record—and no other human effort will reach that point of perfection.

It is the batting average that counts. And what I do claim for Industrial Democracy is that it has to its credit a remarkably high batting average; and that the few cases of failures have not been due to faults in the plan itself, but to the inevitable imperfections in human nature. If mortal men and women had no imperfections, they would not need our thought or our help.

Industrial Democracy

Industrial Democracy is the organization of a factory, or any other business concern, into a little democratic state, with a representative government which makes its own laws and has the power to enforce them.

The plan can be applied in a big organization or in a small one. If the plant is large, the government is very much like that of this country. It is vested in a house of representatives, a senate, and a cabinet.

The members of the house are elected. by secret ballot, by the whole body of workers. Suppose, for example, that the plant is a large factory, with various departments. In that case, the elections are held by departments, each one choosing its own representatives.

The usual basis is one member for every twenty to one hundred persons in the organization. If a plant has fifteen thousand employees, one representative to each twenty of them would make a house of seven hundred and fifty members, which is too unwieldy. So the basis in that case would be nearer one hundred.

The men and women who are elected to the house sit in that body as the representatives of their "constituents." It is their duty to present all complaints, requests, and suggestions from the workers who have elected them. Not to the officials of the company! But to the fellow-members in the house. These members are themselves workers, and their point of view is an inside one.

Take the question of men who are discharged. In a plant run on the lines of Industrial Democracy, an employee knows that he cannot be fired unless the house of representatives, elected by himself and his fellow-workmen. has examined his case and approved the order making final his discharge.

Perhaps you think such a body never would approve an order to let a man go. It is true that they are careful about it; that, up to a certain point, they give him the benefit of any doubt. But, as I shall show further on, they know that an incompetent, or dishonest, or shiftless worker is a drag on them. He is costing them dollars and cents! And the consequence is that. while they give him every chance to make good, and try to help him to do so. they don't want him to stay if he does not respond. They want him to make room for someone who will keep up his end of the game.

It is the same with other complaints. In an ordinary plant, a poor workman will try to excuse himself to his foreman by putting the blame on his machine, another workman, or some condition in the shop. But if he knows his complaint will go to the house of representatives and be investigated by the members from his own department, he will be pretty slow to make allegations he cannot prove.

In many ordinary plants, a man with a genuine grievance often gets no redress because his complaint goes no further than his foreman. But when he can put it up to a house of representatives, all of them interested in seeing that things run smoothly and efficiently, he is certain of having the matter fairly investigated. If his complaint is substantiated—well and good. If it is dismissed the decision is made by his own associates on the job, and he accepts it with good grace.

All Questions Dealt With

The house deals also with complaints and suggestions from heads of departments and other officials. All questions concerning shop conditions come before its members. If the costs in one department are too high, if the output is below what it should be, if the quality of production is not keeping up, the matter comes before the house and is investigated by it.

The results of their study and inquiry are often amazing. And it is not always from "above" that these complaints and suggestions come. It is a common thing for the workers themselves to say:

"We are not getting the results we should. We ought to be able to do better in this department. Let's get busy and see what we can accomplish."

The men actually on a job are sometimes able to effect astonishing economies when they sincerely want to do it. Under Industrial Democracy that is the thing they do want to accomplish, as I shall explain later. But first let us finish with the form of government.

The house has a speaker, who is not an official of the company, but one of the workers themselves, chosen by the other members of the house. And there are various committees, the one on ways and means being the most important.

The senate is not elective. It is composed of minor executives, heads of departments, and foremen, and is intended to include those in immediate authority over the workers themselves. It is run on the same lines as the house.

Both the senate and the house meet weekly; and these meetings are always on "company time." That is, they are held during regular working hours for which the members are being paid. This may seem a small matter, but I do not think so. The time spent in these meetings is devoted to the interests of the business. It should be recognized as a vital part of the work and paid for as such. The mere fact that it is being paid for impresses on the members their obligation to discharge their duties there with earnestness and sincerity. Their proceedings are reported, and every man in the organization can know what is done.

The cabinet is composed of the executive officers, with the president of the company as chairman. The cabinet does not legislate. But it can suggest legislation, by recommending certain measures to the house and the senate. They are under no obligation, however, to carry out these suggestions. And it must be remembered that the humblest worker in the plant may also suggest legislation, through his representative in the house.

Every measure must be passed by both the house and the senate, and approved by the cabinet, before it becomes a law. The cabinet can veto any measure. But the fact that not one of these industrial cabinets, so far as I know, has ever vetoed a bill brought before it, should prove to anyone that employers and employees can work together in harmony.

Some Specific Cases

Now for some specific cases of how they have done this under Industrial Democracy. The system has been in operation in the plant of the Packard Piano Company, at Fort Wayne, Indiana, for about six years. Because of this length of service, I have chosen that as one of the cases to be described.

In 1912 a business agent of the unions, with much zeal and a right intent, but a mistaken method, tried to adjust one wrong by another. He planned to wipe out one form of monarchy by another form of monarchy known as the closed shop. The president of the company was ordered to discharge every man who did not belong to the union, with the threat of a strike if he refused.

The president was not opposed to unions. He had union members in his plant. But he said that he would not agree to discharge any of his men "except for poor work or bad conduct." As a result, the strike was called. It did not succeed, and the men returned to their old jobs.

Apparently the company had won. There was a full force of men working—but somehow the production was fifty per cent. below what it should have been, and the quality was not up to standard. The men were nursing their sense of defeat and were evidently trying to get even. An efficiency engineer was brought in to speed up the production. But the men were sore and would not respond.

After about eighteen months of this, the president sent for me and asked me to do what I could to remedy the situation. I knew he wanted to be fair to his men. It had been precisely his innate sense of fairness which had made him balk at the closed shop. There was no difficulty over wages, or hours of work. The trouble was more subtle than that.

When we had talked things over, I was absolutely convinced of his sincerity. And, by the way, that is the first essential to the success of the plan. I have no use for the employer who turns to Industrial Democracy merely with a selfish desire to pull himself out of a hole. If he does not wish and intend to use it for the benefit of his men, also, and to stick to it so long as it gives good results to them both, I want him to leave it alone.

In one instance, an employer who had put the system into his plant deliberately brought on a strike among his men, because, as he openly told me, he "was going to show them who was boss." He was the old domineering type, which fortunately is growing less common to-day.

This sincerity must work both ways. There cannot be decent relations between employees and employers if either is trying to "put something over" on the other.

Justice to the Full

After my conference with the president of the piano company, I spent some time in the shops, talking with the men and trying to size up the situation. Then I called a mass meeting—on company time, too! I always do that. In the first place, the employees may not be keen about hearing me talk; but if they are being paid for their time they would rather listen to me than work! And, aside from that, I want them to feel what we are doing there is an important proceeding.

First, I told them that I was there to straighten things out; but that they could turn me down if they wanted to. Then I explained the policy I was going to ask them to adopt. And, by the way, those meetings are attended by everybody in the plant, officers as well as employees. And they are all there on a common footing. The system is not adopted by the company and imposed on the employees. They must mutually subscribe to the policy—or it doesn't go in.

(Continued next week)

Goodyear Tire & Rubber Co. has issued its annual report for the year ended October 31, 1919, showing net earnings, before Federal taxes, ammounted to $23,277,245; equivalent, after preferred dividends, to $98.58 a share on the $20,757,600 common stock as compared with earnings of $15,388,190 or $64.43 a share for the previous year.

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RSC INVESTMENT-SERVICE

Can the Government Run Our Railways?

The current edition of *Investment Items* tells why the Grand Trunk purchase is still a live issue, and why in our judgment Government management of Canadian railways is a costly blunder.

Other interesting topics are discussed—among them:

The Newsprint Demand
Spanish River Securities
Cuba and The Sugar Shortage

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NEWS OF THE BOND MARKET

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A SECOND ONTARIO BOND ISSUE ALSO SOLD PRIVATELY

Discussion Among Bond Houses as to Manner of Sale

MARKET IS FIRM

Edmonton Withdraws Options on Number of Issues Owing to Failure of $3,000,000 Issue —Windsor's Block Sold

The preliminary uncertainty that attended the re-opening of the bond market has given way to a more settled condition. Prices have been more or less fixed and the tenders opened during the past week, though they have been largely for smaller issues, have not the wide diversity of quotations that marked the bids in many earlier and larger issues. The outlook still retains its optimistic appearance and bond dealers prophesy a gradually rising market.

During the past week the chief topic of comment has been the second Ontario bond issue, which, following closely upon the heels of the surprise of last week, was subjected to much criticism, favorable and otherwise. The issue was for $3,000,000 and was secured by a syndicate headed by Aemilius Jarvis & Company, of Toronto. The price was 97.76, which figures out at around 5.80 per cent. The bonds are for five years and bear 5½ per cent. interest payable in Canada or New York. It is understood that the bulk of the issue will be disposed of to United States investors.

Price Good: Methods Not?

General opinion is that the Drury Government obtained a good price for the issue, and from that standpoint the sale has been termed a "clever bit of financing." But the manner in which the negotiations were conducted has brought out some severe criticism, especially from these bond houses who had not the opportunity of participating in the tendering.. No public tenders were called for, but it is understood that a few of the larger bond houses were invited to bid privately, and the highest of the three or four tenders received was accepted. There are a number of bond houses in Toronto in a position to bid on a $3,000,000 issue of bonds, who had no inkling of the proposed issue until the announcement of the sale was made, and they consider that the Hon. Peter Smith, Provincial Treasurer, was ill-advised to make his debut in the bond market with a private sale.

For Edmonton's proposed issue of $3,000,000, only one bid was received and it was for 92.73 for $500,000 worth of the bonds, with an option on the balance. The city council refused to accept the tender and immediately withdrew the announcement that it would exercise its options on a number of bonds now outstanding. The reason given was "the adverse financial market." The bonds which the city has decided not to take up are listed in an announcement on page 13 of this issue.

Newfoundland To Sell At Home

There has been little information to hand about the $1,000,000 issue of Newfoundland bonds, for which it was stated tenders would be called, but it is now understood that the bonds will not be tendered, but will be offered to the public at par. They bear 5½ per cent. interest and they will constitute a miniature "Victory Loan" for the Island Dominion.

R. C. Matthews & Company took the largest municipal issue this week, purchasing $139,000, town of Sandwich, 6 per cent. at 99.17. C. H. Burgess and Company bid 97.62.

The Dominion Securities Corporation was stated to have been awarded the Walkerville issue of $68,545.66, bearing 5½ per cent., but the company was not sure that it had been awarded the issue. The tender was 95.89, subject to immediate acceptance. It was another case of a municipality running the risk of losing the best tender by delaying acceptance.

C. H. Burgess and Company were given a small issue from the town of Collingwood. The bonds totalled $8,650, were repayable in 10 instalments and bore 6 per cent. interest. The price was 99.04.

Windsor's Are Sold

The Windsor issue of $175,502, which was re-tendered because none of the original bids were satisfactory was awarded to the Dominion Securities Corporation. The bonds bore 5½ per cent. Bids received were as follows:

Dominion Securities Corporation	95.89
Dyment, Anderson and Co.	95.78
Wood, Gundy and Co.	95.72

A small block of $18,000 Hydro-Electric Commission of Niagara Falls, 6 per cent. bonds were sold to R. C. Matthews and Company at 99.65.

Unsold portions of issues taken by the bond houses before the Victory Loan drive are making their appearance on the market, and several of the bond houses are advertising their odds and ends for sale. The prices are fairly low, to yield from 6 per cent. to 6½ per cent. Wood, Gundy's are offering about 30 odd lots, varying from $200 to $25,000. A circular accompanying their list says:

"The market has just opened after the close of the third Victory Loan, and Provincial and municipal securities are now being offered again at exceptionally favorable prices. The interest return obtainable is high, due to the unsettled conditions of the general security market and the high return obtainable on Canadian Government bonds. We believe, however, that the present situation is but temporary and similar to the period immediately following the Victory Loans of 1917 and 1918, when prices were relatively the same as exist at present but continued to advance very steadily up to the announcement of the succeeding loan."

The City of Verdun has again called for tenders for an issue of debentures amounting to $225,000, bearing interest at 5½ per cent., dated May 1, 1919, and maturing in twenty years. Tenders will be received up to 5 p.m., on Dec. 22. These will be considered by the council on the same evening. There were six tenders received last week, but the price was considered too low.

CANADA'S WAR BONDS MAY BE LISTED IN N.Y.

A General Movement Involving All Foreign Government Internal Loans in U.S.

By Special Representative.

NEW YORK.—Eugene Meyer, Jr., managing director of the War Finance Corporation, is backing a movement to have foreign Government internal loans listed on the New York Stock Exchange. Such a step would, of course, involve the listing of Canadian war bonds.

It is understood that the listing committee of the New York Stock Exchange is in favor of such an action and has unofficially indicated to several foreign Governments the conditions under which such listing would be permitted. Leading New York bankers are one by one publicly acknowledging the necessity for American investors to become better acquainted with foreign securities and this listing will be educational, if nothing else.

At present there seems little likelihood of American investors becoming interested in dollar securities of foreign Governments on a large scale. Canadian experience here has certainly shown that the average American investor prefers to buy domestic securities with a high yield, to investing in foreign Government securities, even of the best, where the yield is smaller, but the security higher.

MUNICIPAL YEAR BOOK

Wood, Gundy's Fine Publication is Out Again

The 1919-1920 number of "Canadian Municipal Statistics," the invaluable reference book published each year by Wood, Gundy and Company, of Toronto, has just been issued, and it follows the same high standard of the former editions published by this Toronto bond house. The 1919-20 edition contains features that make the book of increasing interest to the growing number of people concerned in the investments offered by Canadian cities, towns, villages and counties. It is also designed to be of service to civic officials and to writers on financial topics. It contains concise comment relating to the situation, size and industrial and commercial position of the municipalities treated. Maps have also been added and the book has grown to over 400 pages. Every precaution has been taken to render the financial statements and other statistics as accurate and exhaustive as possible. The aim has been to present a dependable summary of the position of every municipality. Provincial trust investments, Canadian war loans and income tax requirements, each receive attention.

NEW MANITOBA ISSUE

Report That Province Has About $8,000,000 to Market

It is reported in local bond circles that Manitoba will be one of the next big seekers of funds, and that some of the other provinces are also considering the outlook. Manitoba is reported to require about $8,000,000. However, Hon. Edward Brown, who was in Toronto this week, had nothing to say to THE FINANCIAL POST about the situation other than that nothing was contemplated "in the immediate future," and that the market "was very unsettled at present."

RECOMMENDATIONS OF BOND HOLDERS TO ALBERTA GOV'T

The Provincial Municipal Finance Commission Will Meet on January 5

WETASKIWIN FIRST

Result of Investigation in That Town's Finances Important Because of Possible Bearing in Other Instances

The judicial commission appointed by the Alberta Government to inquire into the affairs of the municipalities of that province which have defaulted their obligations, will hold its initial meeting in Edmonton on January 5. The first municipality to be dealt with will be the town of Wetaskiwin, and it is felt that the proceedings of the commission, in regard to Wetaskiwin will be of the utmost importance, inasmuch as any action taken in regard to its bonds will probably be adopted as a precedent to be followed, with the necessary variations due to local conditions, in the case of the other municipalities, to be dealt with later—Athabaska, Tofield and probably Macleod.

The bondholders have already prepared memorandum to be placed before the commission, suggesting certain measures to be taken in the case of Wetaskiwin. The draft of the statement was approved at a meeting held in Toronto this week. The principal recomendations made by the bondholders are as follows:

That taxes on improvements be increased to 55% or 65% of their value, and that a petition be presented to the legislature to amend the charter of the town so as to enable it to assess improvements up to 75% of their value.

That the business assessment is increased.

Make Public Utilities Pay

That the public utilities be put upon a paying basis; that is, that the rates charged for services be increased sufficiently to meet not only operating charges, but interest and other charges.

In the case of the waterworks, that the water rates be increased sufficiently to bring in a revenue, which could be applied to the reduction of the overdue interest payments.

That the debt to the local bank be funded.

That interest payments up to the end of 1919 be funded and spread over a term of ten years.

That in calculating the rate of taxation allowance be made for taxes that will not be collected.

There has been a good deal of optimism among the Wetaskiwin debenture holders, which has come out at their recent meetings. It is generally felt that although the finances of the town are in very poor shape, the bondholders will not lose out in the end.

The Municipal Finance Commission of Alberta is headed by Chief Justice Harvey, and its decisions become effective upon being approved by 60 per cent. of the bondholders of any municipality whose affairs are investigated and after being passed upon by the Lieutenant-Governor in Council which, of course, means the Provincial Cabinet.

MAKE $7,000,000

Montreal Commissioner Has Plan to Reduce City's Debt

An ambitious scheme to reduce the debt of the City of Montreal by about $7,000,000 has been drawn up by E. R. Decary, chairman of the administrative commission, who states that it will be carried out very shortly.

Mr. Decary states that the city will liquidate that part of the city debt held in England, amounting to about $45,000,000, and finance the transaction by floating another loan in Canada and the United States. At present rates of exchange this would net the city about $7,000,000.

The proposed issue would be repayable in twenty years, and a sinking fund would be provided to take care of the payments on the principal. This was one of the most important points of the scheme, said Mr. Decary, as one reason for Montreal's enormous debt, amounting to $122,000,000, and the fact that past administrations had failed to provide a sinking fund.

CANADA'S WAR BALANCE

Great Britain Is Now In Our Debt For $200,000,000

OTTAWA.—An adjustment of accounts between the Canadian and the British Government resulting from the war is now in progress.

The British Government has financed Canadian operations on the other side, while the Canadian Government has established imperial credits here. The only credit now operating is for the purchase of timber, though arrangements regarding the wheat crop are to be made. As the balance now stands, Great Britain owes Canada $200,000,000, interest on which is being paid at 5½ per cent.

R. C. Matthews & Co.
Canadian Government Bonds
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City of Calgary
Long Term Bonds—To Yield
6½%
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Government and Municipal Bonds
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W. L. McKinnon Dean H. Pettes
We Recommend
VICTORY BONDS
of the
1924 and 1934 Maturities
at 100 and interest
Send us your orders and they will receive our prompt and courteous attention.
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McKinnon Building - Toronto

W. F. Morgan-Dean Geo. R. Harris
INVESTMENTS
FIRST MORTGAGE Industrial Bonds
Maturing 1920 to 1934
Secured by assets 4½ times the total bond indebtedness. Net earnings for 1918 equal to nine times the bond interest.
TO YIELD 7%
Morgan-Dean, Harris & Co.
Investment Bankers
Bank of Hamilton Bldg., Hamilton, Ont.

Funds Secured for Sound Businesses
Business Builders Ltd.
INDUSTRIAL AND FINANCIAL ADVISORS
301 Enderton Bldg., WINNIPEG
Offer Preferred Shares 7% Cumulative of Magnet Metal and Foundry Co., Ltd.—a Winnipeg Industrial.

W. Ross Alger & Co.
Investment Bankers
Private wire service to principal cities in Canada and United States.
We specialize in Western Bond Issues.
EDMONTON - ALBERTA

ALLAN, KILLAM, McKAY, Ltd.
McLeod Building, Edmonton, Alberta
Special attention given to interests of out-of-town clients. Real Estate, Mortgage and Financial Agents. Rental and Property Management a Specialty.

CHARLES S. COBB
ARCHITECT
SEVENTY-ONE BAY STREET
TORONTO

New Issue

Montreal Public Service Corporation

6½%

Collateral Trust Gold Bonds
Dated July, 1919—Due July, 1924

These Bonds are secured by:—
$400,000 Montreal Public Service Corporation, First and Ref. Mortgage 5%, 30 year Gold Bonds, due 1942;
$2,550,000 Montreal Public Service Corporation, Second Mortgage 6½% Bonds, due July 2nd, 1924;
$1,700,000 Canadian Light & Power Co. 5% Bonds, due 1949;
And 59,500 common shares of the Canadian Light & Power Co.
The market value of the above collateral may be conservatively estimated at $3,445,000—providing ample margin of security for the present issue of $2,550,000.

PRICE: par (100) and interest

RENE-T. LECLERC
INVESTMENT BANKER
160 St. James Street, Montreai
(Established in 1901)

Town of Collingwood

Bonds Yielding 6% Par

Send for particulars.

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BANK OF HAMILTON BLDG.
Toronto Main 7140

J. F. Stewart T. K. McNair

BONDS

Toronto Harbor 4½'s		1953
Saskatchewan 5's		1939
Alberta 4's	-	1922
Newfoundland 5½'s	-	1939

Prices on Application. Correspondence Invited.

J. F. STEWART & CO.
106 BAY STREET, TORONTO
Telephone Adelaide 2991

NEW ISSUES
1919 VICTORY LOAN
Due 1924-1934
Price--100 and Interest.
Orders Promptly Executed.

Housser, Wood & Co.
Investment Bankers
10 King St. East, - Toronto, Can.
M. 4301-2

PORT COLBORNE PUBLIC SCHOOL AND HYDRO-ELECTRIC DEBENTURES

TENDERS will be received by the undersigned up to December 15th, 1919, Debentures of the Town of Port Colborne for the amount of $80,000, described as follows:—

Public School Debentures, $40,000, bearing five and a half per cent. interest, twenty-year, equal instalments, interest due Nov. 15th each year.

Hydro-Electric Debentures, $40,000, bearing five and a half per cent. interest, twenty-year, equal instalments, interest due Nov. 15th each year.

DAVE ALAIR,
Treasurer. Port Colborne.

Debentures For Sale

THE Township of Trafalgar has Eighty-Two Thousand Dollars ($82,000.00) of Six Per Cent. Debentures for sale, to be paid in twenty equal annual instalments. Tenders will be received for same up to the 15th day of December, A.D., 1919.

S. H. ALBERTSON,
Tp. Clerk,
Trafalgar, Ont.

FIELD OF MUNICIPAL FINANCE

MUNICIPALITIES IN SASKATCHEWAN ARE ECONOMIZING

Have Made Few Capital Expenditures During Past Ten Months

ELECTION REPORTS

Swift Current Still Has $650,000 of Uncollected Taxes Outstanding — Regina's Net Debt $3,000,000

Prior to the municipal elections held throughout Saskatchewan this week, reports of the financial condition of the cities and towns of the province were published. In the main they revealed little new.

There has been a wise tendency to keep away from capital expenditures during the past ten months, and the net debt of most of the municipalities has not been increased. Many places still have large amounts of unpaid taxes on their books, some of which will never be collected. The most promising feature of the reports are indications that most of those towns and cities whose finances were in a bad state early in the war are prepared to face the situation and not attempt any great development until they are back on a stable basis again.

Saskatoon Gets a Warning

At Saskatoon, a warning to the ratepayers of the city to go slow in sanctioning any large capital expenditures was given by City Commissioner C. J. Yorath. Proposed capital expenditures would add $1,100,000 to the city's debt, if carried out, and would increase the tax rate to 47 mills in 1921, a jump of 12 mills from the present rate. Mr. Yorath said:

"Such a condition of affairs is impossible, if the city desires to retain its sound financial position. The only outcome if these proposals are given effect to will be financial embarrassment and chaos similar to, if not worse than, what it was during the financial depression following the boom in real estate in 1911 and 1912."

Mr. Yorath's review of the present condition of the city's finances showed that the municipality is in a sound position. Although the city has a large per capita debt—about $150—the sinking fund was fully paid and, in fact, more than up-to-date. The net debt of the city was given as follows:

Total debt, including High School debt	$8,742,370.74
Less Waterworks debentures	823,157.05
Less Electric Light debentures	1,477,712.10
Less Street Railway debentures	793,035.90
Less Local Improvement debentures	1,982,992.57
	5,076,897.62
Net general debt	$3,665,473.12
Less Sinking Fund in respect to net general debt.	567,879.08
Debentures redeemed	6,173.93
	$574,053.01
Net debenture debt	$3,091,420.11

The sinking fund has a surplus of $51,495.70, created by investing in securities earning more than the statutory 4 per cent. Over $17,000 profit was made for the sinking fund this year by the city's profit in the conversion of its Victory bonds into the new issue.

Regina's Condition

The Regina city commissioners, in their report covering operations of the city for the first ten months of the year, call for a continuance of the policy of maintaining the credit of the city by curtailing capital expenditures. Some of the points in the report are:

"The gross debt of the city at December 31, 1918, including schools, is $11,870,296.92. Taking the population at 40,000, the per capita debt, including schools amounts to $296.75, which is large, as compared to the other cities of the East and the Old Country. It must be remembered that there is included in these figures the sum of $124.65 in respect to Public Utilities, which, taken together, are self-sustaining, and which, as a general rule, with the exception of Waterworks, are privately owned in these older centres.

"During the current year the Council has authorized Capital Expenditures totalling $107,000. No debenture sales have been negotiated during the year; debentures to be issued to cover the works above have been withheld from the market in view of the Victory Loan.

"The Annual Estimates provided for a profit on Utilities of $13,000, while for the 10 months the actual result as shown is a deficit of $7,700. We are confident that at the end of the year the estimated surplus will be realized.

"The financial status of the Street Railways shows a steady improvement in spite of greatly increased operation costs as regards both labor and material. The Utility will finish the year within its estimate, which provided for a deficit of $27,900. The deficits for the years 1914-15-16-17 and 1918 were $95,752.42, $109,755, $76,145.03, $63,912.19 and $67,407.21 respectively.

"We are of opinion that conditions will, beginning next year, steadily improve. Population is again on the increase, as witnessed by the acute demand for housing accommodation; taxes are being more promptly paid and the arrears and bank loans are being materially reduced. The plant of the City, consisting principally of its pavements, and sewer, water, light and street railway systems, is so extensive that a large increase of population can be accommodated at a relatively small increased expenditure."

Swift Current's Showing

Swift Current has a very poor report to show. The crop failures in the district during the past few years have made it difficult for the town to get back to its once prosperous condition, but during the past year the utmost economy has been effected in the civic administration. Outstanding taxes total nearly $650,000. Some of the points in the report are as follows:

"In spite of the practically total failure of the crop the tax collection for the first ten months of the year are slightly in excess of the same period in 1918, the figures being for 1919, $128,415.49, and for 1918, $127,941.42, showing an increase of $474.07. The same applies to the receipts from our utilities, light and water from 1919 amounting to $54,696.21 and for the same period in 1918, $52,151.11, an increase of $2,545.10. This would have shown a larger increase had it not been for the fire which occurred in our power house last May, which left us but with one unit, which we could not run full time, causing a considerable loss in revenue.

"The sundry receipts show a small decrease from that of last year, but on the whole, and taking into consideration the present conditions the receipts so far have been very satisfactory. In dealing with receipts there is one very disappointing feature, and that is the small amount of property redeemed from the tax sale of 1916. It was thought at the time of the sale that the payment of these taxes was being held over by the owners until some future date, and this impression was with us until this fall; the result is that a large amount of property will come to the city within the next few months, and the question of dealing with this property in the best interest to the city will have to be seriously considered."

TAKING OVER S. W. & A. RY.

Deal With Detroit United Has Been Finally Completed

WINDSOR.—All obstacles to the border municipalities taking over the Sandwich, Windsor and Amherstburg Railway were removed when the council of Sandwich West township passed a resolution guaranteeing to assume its share of the apportionment of Anderdon township, the only one of the nine municipalities that failed to give the project a favorable vote.

The system will be taken over by the commission inside of 60 days, when the option on the lines given by the Detroit United Railways expires.

Money By-laws

TENDERS WANTED

Dec. 15, Port Colborne.—$40,000, 5½ per cent., 20-year, equal instalments, public school debentures; $40,000, 5½ per cent., 20-year equal instalments, hydro-electric debentures.—Dave Alair, Treasurer, Port Colborne. (See announcement on page 13.)

Dec. 22, Alberta Schools.—$23,000 in twelve block of 6½ per cent., 10 and 15-year school debentures.—J. T. Ross, Deputy Minister, Edmonton.

BY-LAWS TO BE VOTED ON

January, Galt.—$30,000, for central heating plant at the hospital grounds.

January, Point Grey.—$90,000, for purpose of purchasing property for a park and bathing beach.

Jan. 1, London, Ont.—$300,000 for extensions to Fair grounds; $218,000 for the London and Port Stanley Railway; $250,000 for Board of Education for new schools, etc., $200,000 for commencement of new city hall; $100,000 for new reservoir; $100,000 for new bridges; $85,000 for new stable and shelter; $20,000 for playgrounds.

Jan. 1, Hamilton.—$607,173, for Hydro-radial purposes; $150,000 for development of Scott Park, etc.; $50,000 for Mountain face highways; $72,000 for purchase of fire-fighting apparatus; $850,000 for construction of central storm overflow sewer.

January, Waterdown, Ont.—$20,000, for the erection of a memorial hall

Dec. 16, Portage la Prairie, Man.—$100,000 for city hall and community building; $12,000, waterworks; $16,000, electric light.

January, Brantford.—$50,000, for the erection of a new grand stand; $87,000 for the construction of an isolation hospital; $78,000 for additions to General Hospital; $20,000 for addition to Brant Sanatorium.

Dec. 16, R.M. of St. Andrew's.—$187,642 for construction of roads and improvements.

January, Penticton, B.C.—$35,000 for new reservoir and extension of waterworks system.

Jan. 1, Toronto.—$5,000,000, to be supplied the proposed Transportation Commission for extensions and equipment of the system; $1,000,000 for erection of a livestock arena at the Exhibition grounds; $4,000,000, city's share of guarantee for securities covering erection of proposed Toronto and Eastern Hydro-radial railway to Bowmanville.

January, Niagara Falls, Ont.—$50,000, for addition to hospital; $14,000 for erection of store and office for Hydro-Electric Commission.

January, Beaverton, Ont.—$85,000 for a water system.

Jan. 1, Kenora, Ont.—$25,000 for public improvement purposes.

Dec. 16, Cornwallis, Man.—$100,000 for the construction and improvement of roads.

Jan. 5, Village of Beaverton.—$5,000 for the purpose of laying, and constructing sidewalks, etc.

Jan. Chatham.—$600,000 for the Lake Erie water project.

Jan. 5, Charlton.—$3,000 for improvement of streets.

Dec. 16, R.M. of Sifton.—$40,000 for the purpose of constructing and improving highway and roads.

Jan. 5, Mount Forest.—$15,000 to assist Ernest Bros. Co. to enlarge their foundry manufacturing premises.

Jan. 1, Ottawa.—$150,000 for new fire station; $300,000 for new police station; $700,000 for war memorial hall; $2,000,000 for erection of new city hall.

Jan. 5, Thorold.—$10,000 for the erection of a G.W.V.A. club house.

Jan., Stratford.—$50,000 for park purposes; $25,000 to purchase and equip home for soldiers, sailors and nurses.

Dec. 16, R.M. Russell, Man.—$65,000 for construction of highways and roadways.

Jan. 5, Midland.—$30,000 to aid in constructing additions to St. Andrew's hospital.

BY-LAWS PASSED OR DEFEATED

Toronto.—$150,000 for the purpose of purchasing parks and playgrounds. Passed by the council on Dec. 1; registered on Dec. 6.

St. Catharines.—$660,539, the city's portion of cost of constructing a Hydro-Electric radial railway from Port Credit to Toronto. Passed by the council on Dec. 8.

Woodstock.—$50,000 for loan to the Brunswick Can. Products Co. Passed by a vote of 1,239 to 88; $20,000 for loans to the Warren Pipe Organ Co. Passed by a vote of 1,250 to 74, on Dec. 1.

Winnipeg.—$350,000 for a new bridge. Defeated by 77 votes on Nov. 29.

DEBENTURE NOTES

Gananoque.—The Board of Education have asked the Town Council to submit a by-law to raise $24,000 for the erection of a new public school building.

Hamilton.—At a special council meeting a by-law to submit to the ratepayers to provide $50,000 for necessary improvements at the Mountain Sanitorium, was passed.

Manitoba.—Municipalities of the Province of Manitoba are about to enter into the greatest road-building era in the history of the country. Plans have been completed for the issue of debentures for the expenditure of over $5,700,000 on roadbuilding, A. McGillivray, Provincial Highway Commissioner, announced recently.

SASKATCHEWAN

The following is a list of authorizations granted by the local Government Board from November 22nd to 29th, 1919:

Rural Telephone Companies.—Marshall, $2,600; Luseland-West, $7,000; New Deloraine, $1,600; Round Plain, $4,500; Longlaketon, $2,600.

Villages.—Gliddon, $3,500.

Reported Sold

Schools.—Hay Meadow, $3,200, Waterman-Waterbury Mfg. Co., Regina; Riversbone, $4,000, Waterman-Waterbury Mfg. Co., Regina; Rabrud, $2,500, Waterman-Waterbury Mfg. Co., Regina.

Telephones.—Theodore-Whitesand, $4,100, Harris Read & Co., Regina; Lanigan, N.W., $2,700, Harris, Read & Co., Regina; Glenavon South, $2,400, G. T. Brander, Regina; Viscount, $11,600, W. D. Craig, Regina; St. Louis, $20,000, E. S. Channel, Saskatoon; Tullis, $14,200, W. L. McKinnon & Co., Regina.

The following is a list of authorizations granted by the local Government Board from November 15th to 22nd, 1919:

School Districts.—Bereshill, $3,500; Bonnie Hill, $1,200; *Venice, $9,000.

Rural Telephone Companies.—Douval & Longlake, $7,400; Narrow Lake, $8,800; Currie, $250.

Villages.—Wilcox, $7,000.

*To be included in next sale held by the local Government Board.

The following is a list of debentures reported sold from November 15th to 22nd, 1919:

Rural Telephone Companies.—Laurie, $12,275, Harris, Read & Company, Regina; Richburg, $7,700, W. L. McKinnon & Co., Regina; Silverwood, $3,200, H. C. Hamill, Regina; Luseland East, $6,000, W. L McKinnon & Co., Regina; Wawota, $4,300, Geddie McKay, Ltd., Regina; Eastend, $21,900, Geddie McKay, Ltd., Regina.

Schools.—Dundalk, $3,500, Waterman-Waterbury, Mfg. Co., Regina; Corofin, $500, W. Patterson, Preeceville; Lake Lillian, $2,550, Waterman-Waterbury Mfg. Co., Regina.

Cities.—Moose Jaw, $16,000.

BOND SALES

$7,800 Asbestos at 77; $4,000 Can. Bread at 94; $2,000 Can. Locomotive at 95 to 94; $1,000 Can. Cement at 99¾; $1,000 Can. Car at 90; $2,000 Can. Cottons at 86¼; $3,800 Cedar Rapids at 86; $3,000 Dom. Canners at 92¾; $4,000 Dom. Coal at 87; $1,000 Elec. Development at 91½; $8,000 Dom. Iron at 86; $24,000 Lyall at 90; $58,000 Montreal Trams. debs., at 75 to 71½; $6,400 Montreal at 101 to 100; $2,000 N.S. Steel at 82¾; $2,500 Nat. Breweries at 100; $2,000 Penmans at 89; $137,000 Quebec Rly. at 66 to 62½; $16,500 Rio at 75; $1,000 Sher.-Williams at 100; $500 Wabasso at 92; $13,000 Wayagamack at 85½; $4,000 Price Bros. at 85; $514,150 Victory Loan (1922) at 100¾ to 98⅞; $421,950 (1923) at 100¾ to 98¾; $234,400 (1927) at 102¼ to 101½; $1,043,600 (1933) at 103⅝ to 101½; $576,150 (1937) at 104¾ to 103½; $139,500 War Loan (1925) at 97¾ to 97; $43,500 (1931) at 98¾ to 98⅝; $102,500 (1937) at 100 to 99¼.

UNLISTED SECURITIES

American Sales Book, 6s	90	94
Algoma Steel Corp. 5s	55	65
P. Burns, 1924, 5s	100	103
P. Burns, 1931, 5s	96	99
Can. Machinery 6s	79	82
Collingwood Shipbuild'g 6s.	85	90
Eastern Car 5s	92	95
Mex. Northern Power 5s	13	15
Morrow Screw 5s	88	92
N. S. Steel Deb's, 6s	87	92
Ontario Pulp 6s	101¼	..
Porto Rico 5s	82	85
Sterling Coal 6s	73	76
Stone Limited 6s	94	98
Toronto Power 5s	90	98
Tor. & York Radial 5s	97	99
Toronto Paper 6s	86	92
West. Can. Power 5s	54	59

Buy

MONTREAL PUBLIC SERVICE CORPORATION
6½'s—1924
Denominations: $1,000, $500 and $100

SAGUENAY PULP AND POWER COMPANY
6½'s—1921-1934
Denominations: $1,000, $500 and $100

Price: Par (100) and accrued interest

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Financial Requirements

Prosperous, established businesses frequently require additional working capital. Meritorious security issues for this purpose we buy as a whole.

The securities we offer to our clients are therefore of proven worth.

OTIS & COMPANY
INVESTMENT BANKERS
CLEVELAND, OHIO

CITY OF EDMONTON, ALTA.

Hereby gives notice that, in view of the adverse financial market conditions, it will not exercise its option, as stated in a former notice, to take up the following Debentures:—

Issued Under By-Laws.		Series	Maturity	Next Interest Due Date
683		A	July 1, 1920	Jan. 1, 1920
684		B	July 1, 1920	Jan. 1, 1920
700 and 3	1918	C	July 3, 1922	Jan. 3, 1920
27	1918	F	July 15, 1923	Jan. 15, 1920
2	1919	G	Feb. 15, 1924	Feb. 15, 1920

And take notice further that the above Bonds will bear no Interest after their next Interest Due Dates respectively. F. BARNHOUSE, City Treasurer.

The Executive's Business Ally

For the executive who wants privacy—who wants undisturbed quietness when he's concentrating on a particular problem, and yet wants all the matter on that proposition close at hand—will find his ideal in an "Office Specialty"

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Suppose you, the buyer, have an attractive "buy" offered to you "right", and you want to work over the advantages and disadvantages of accepting it—quietly. Here are copies of your previous requisitions—quantities you've used before—prices—everything you need to help you arrive at a satisfactory decision, and without any annoying interruptions.

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And so with any and every executive. There's a place for any kind and all your records, and the quickness it gives you in getting at them will double their value to you.

Of course, for general office record-keeping purposes, they serve their mission mighty well. You can add to your stack as your records increase—as your business grows.

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913

ROYAL SECURITIES IN WINNIPEG

MONTREAL.—Following up the recent opening of offices in Toronto the Royal Securities Corporation has extended into Western Canada and opened a new office in Winnipeg, Man. A suite of offices has been engaged at 500 Electric Railway Chambers, in Winnipeg. The widening of the activities of Royal Securities Corporation into Western Canada indicates not only the feeling that the West is growing in importance in regard to the sale for investments but also is an indication of the aggressive policy of this firm, which recently decided to include municipal bonds along with their extensive list of industrials. The Winnipeg office will be under the management of Lieut.-Col. A. L. Saunders, D.S.O., M.C., late officer commanding the 8th Canadian Infantry Battalion.

Group Insurance

And Labor Turn-over

The trouble and expense of hiring a new employee and "breaking him in" represent so much net loss that would have been avoided if the old hand had stayed on the job.

Careful investigations by large concerns have resulted in estimates of this "replacing cost" running all the way from $40 to $75 per head, with an annual "labour turn-over" in some cases of from fifty per cent. and upward of the total number of employees.

Group Insurance, by making it worth the employee's while to stay on the job, is a powerful corrective of Labor Turnover, and saves in efficiency much more than it costs in premiums.

Sun Life Assurance Company of Canada

BRITISH COLONIAL
FIRE INSURANCE COMPANY
MONTREAL

Authorized Capital	- -	$2,000,000.00
Subscribed Capital	- -	1,000,000.00
Paid-up Capital	- - -	247,015.79

General Fire Insurance Business Transacted
Theodore Meunier, Manager

The Independent Order of Foresters

Furnishes a Complete System of Insurance

Policies issued by the Society are for the protection of your Family and cannot be bought, sold or pledged.
Benefits are payable to the Beneficiary in case of death, or to the member in case of his total disability, or to the member on attaining seventy years of age.
Policies issued from $500 to $5,000. For further information and literature, apply to

Benefits Paid 63 Million Dollars

FRED J. DARCH, Secretary — W. H. HUNTER, President — S. H. PIPE, F.A.S., A.I.A., Actuary
HEAD OFFICE - - - TORONTO

The Secret of Successful Salesmanship

If the salesman has unlimited confidence in the company he represents and in the goods he is offering, it will not take long to communicate that confidence to the prospect. And this applies to life insurance more than to any other article. Agents of the Mutual Life of Canada meet with extraordinary success for that simple reason—they devoutly believe in life insurance and above all in "Mutual" life insurance. The Mutual Life has been conducted for fifty years exclusively in the interests of its policyholders. The result is an unprecedented demand to-day for Mutual Life policies. With the Mutual "the Secret of Successful Salesmanship" is simplicity itself—the agent knows that he has the company and the policy that the prospect needs. The rest soon follows.

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WATERLOO : : ONTARIO

INVEST YOUR SAVINGS

5½% INTEREST RETURN

In a 5½ DEBENTURE of The Great West Permanent Loan Co.

SECURITY

Paid-up Capital	$2,412,578.81
Reserves	964,459.39
Assets	7,066,696.54

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HEAD OFFICE: WINNIPEG, MAN.
TOTAL ASSETS $2,468,523.08
A Canadian Company Investing its Funds in Canada
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Sir Herbert S. Holt, President — A. J. Brown, K.C., Vice-Pres.
TORONTO OFFICE: 61 YONGE STREET
J. F. HOBKIRK, MANAGER

INSURANCE AND REAL ESTATE

HOUSING PROBLEM AND RELATION TO INSURANCE FIRMS

Companies Can Do Much to Ease Situation by Their Investments

IMMEDIATE NEED

Heavy Federal Taxes on Capital Drive Money to Speculation and Away From Necessary Investments

Not the least important of the problems discussed at the New York convention of the Life Insurance Presidents of America was that of housing. It was made clear that the insurance companies can play a large part in the extension of housing facilities.

The investments of insurance companies in the past have done much to develop the United States and Canada. The trend of their investments has always been towards the most immediate need; this has been in the development of the West when Canada life insurance companies loaned large sums on mortgages and invested to a considerable extent in real estate, and during the war when Liberty loans in the real estate and Victory loans in Canada were supported by all the insurance companies. It was advocated at the New York convention that there is no more acute problem in either country to-day than that of housing and that the insurance companies can help to relieve that problem. The housing problem in its relation to the insurance companies was dealt with in an address by Frederick H. Ecker, vice-president of the Metropolitan Life. Mr. Ecker gave as one reason for a shortage of money to invest in mortgages the high taxes being levied on capital, which operated directly to reduce the amount available for investment where it was most needed. Mr. Ecker said in part:

"The scarcity of accommodations and the very great rise in rentals seem to have stimulated the demand for single family dwellings, and more people than ever before are now seeking the opportunity of owning homes. The apparent misfortune of not being able to rent suitable accommodations may convert us into a nation of home-owners instead of home-renters. And it may well be that such a fundamental and extensive change will go far toward meeting and solving the social unrest of the present day and age. Nothing makes for law and order like having a stake in the things protected by settled political conditions.

Must be Careful

"The safety of principal is the first consideration in investing policyholders' funds. Properties not in the preferred class, such as those by design limited to a special use or occupancy, should be avoided as mortgage security. Corner properties and those favorably situated with respect to light and air give least trouble, and where loans are made on business properties it is always safest to select the important centers and locations along the main arteries of travel.

"In considering the problem of housing the American people, it is evident that the interests of life insurance as a business and as an institution for service are deeply concerned, and through investment of funds, the business becomes a powerful factor in supporting legitimate enterprise calculated to supply relief. A short time since, in the course of an investigation of the shortage in housing facilities in New York City, it was by some alleged that the discontinuance of loaning on real estate by life insurance companies was responsible for conditions found to exist. The fact that the companies had during the war period no money to loan because they were investing in war bonds—and if they had had the means there was lacking the opportunity to loan on new improvements, as none were being made—was overlooked. Impatience was displayed because the companies would not promise large sums immediately in the support of building operations, the companies taking the position that they felt obliged first to repay their obligations contracted to buy war bonds. While the funds then promised proved to be more than adequate so far as subsequent demands on acceptable security were concerned, that phase of the matter was really an incident and not a fundamental fact of the situation. The real explanation of lack of activity in building was then and is to-day the scarcity of capital willing to take the risk in view of unsettled conditions and high taxes. The present active market in improved properties was then just developing—a market in which real estate operators find trading more profitable than building.

Employees Can Help

"The housing situation is acute and painful, but not chronic. It is probably true that there are many homeless people throughout our land. The family is the civic centre and the home life and home conditions are of prime importance, but we are not yet in danger of nationalization of families. In time, through the working out of natural laws, the restoration of former, and no doubt greatly improved, conditions will be established, but there are obstructions for the time being to the operation of natural laws. So long as profits are unduly taxed the speculative field of investment will attract the dollars. There is, nevertheless, an obligation upon the part of all to contribute to remedial measures to relieve the acute conditions. Insurance funds, it has been pointed out, will be found responsible where requisite security is offered. It must, to a greater extent than heretofore, be accepted as an obligation of employers of labor to provide housing for employees. Industries located away from the centres of population have always had to deal with the question. Housing facilities for operatives are a necessary part of the plant of mining and other industries in isolated locations. During the war it was recognized in Government work that living accommodations for labor had to be provided as a part of the undertaking. Employers in all locations are in the present situation being forced to consider the matter, and many are making substantial investments in housing employees as a part of the cost of production and finding it an important factor in contributing to contentment and persistence."

NEW INSURANCE THIS YEAR $7,712,000,000

Estimate Made at Life Insurance Presidents' Convention

How the business of insurance has come through the unnatural and unbalanced prosperity, with its attendant inflation, speculation and improvidence that has followed the war, was told by Hon. William E. Day, president of the Equitable Life Assurance Society, speaking at the convention of Life Insurance Presidents in New York. Judge Day said in part:

"In round millions, the volume of new insurance which life insurance companies have induced people to take during the year 1919 promises to reach the enormous total of $7,712,000,000. This is $3,010,000,000, or 64 per cent. more than was written last year. It is nearly $4,613,000,000 more than was written in the year 1914, or 149 per cent. When did any institution in the public service ever receive such a significant vote of confidence as the public has given life insurance companies in this stupendous volume of new insurance? In amount it exceeds all the insurance outstanding in all the companies twenty years ago, and it equals over one-fourth of the entire insurance in force in all companies at the beginning of the present year."

Sir Henry Drayton's address included an invitation to American insurance companies to enter even more extensively into the Canadian field, especially with a view to Canadian investments. Sir Henry said:

"There is much room for a great advance in insurance in Canada. Assuming a population of 8,000,000, the life insurance in force in Canada to-day is but approximately $225 per capita. Canadians are under-insured and life insurance companies have a most useful public task ahead of them in bringing up the average protection for the families of the workers of Canada, but increased insurance like every other good thing depends upon ability to pay premiums, depends upon prosperity. While Canada is prosperous, the question of the matter of exchange between our respective countries is something that I am sure you do not view with complacency. Your insurance premiums are paid in Canadian dollars and as a result of the trade balance existing between the countries the Canadian dollar is at the moment at a discount, and a serious discount when the value of the Canadian dollar, the prosperity and assets of the country are considered.

"Temporarily adverse trade balances can be rectified by investment of America's surplus reserves in Canada. This is as much in the hands of life insurance presidents as anybody. The field for investment in Canada is large. Canadian life insurance companies earn 1 per cent. higher interest on the average than American companies. Canadian bonds pay one-half of 1 per cent. higher average return than do United States bonds and Canadian mortgages pay 6½ to 7 per cent."

WOULD FINANCE HOMES

St. Thomas Citizens Have Scheme To Use Private Capital

A group of influential citizens in St. Thomas have instituted a movement to start a scheme for the financing of builders and private citizens who are desirous of erecting homes in that city. It is felt that there is plenty of idle capital that could be secured for this project. It was at first proposed to secure a loan, if possible, under Provincial Government housing scheme, but there are a number of features in connection with this proposition that are not favored by local authorities.

ALBERTA HAIL LOSSES

Million Dollars, Half of it Incurred by Companies

Alberta's losses from hail during the present year are estimated at about $1,000,000, of which $500,000 was covered by the municipal hail insurance scheme and the other half by the straight insurance companies. At a recent meeting of the municipal hail insurance board, held in Calgary, it was reported that the total insurance carried was about $1,200,000, with losses of a little over $500,000. The premium rate was fixed at 6 per cent., which will figure out at 48 cents per acre for $8 insurance, and thirty-six cents per acre for $6 insurance. Over 90 per cent. of the insurance carried was at the $8 rate.

A syndicate of New York men have purchased oil leases on about 200,000 acres of land in Western Texas from the University of Texas. This is one of the largest oil deals, in extent of acreage, put through in Texas.

AIRCRAFT RISKS MAY BE INSURED HERE NEXT YEAR

One Company Already in the Field and Others May Follow

COLLISION, FIRE, ETC.

Lines of Aeroplane Insurance Will Be Much Like Policies Now Written on Motor Cars

The rapid development of the use of aircraft for commercial purposes, consequent upon the cessation of hostilities, has raised the question of the insurance of aeroplanes against the dangers to which they are subject. Insurance for airmen has been provided by a number of life insurance companies, though at very high rates, but until the Home Insurance Company of New York announced the other day that it would shortly be in a position to write insurance on aeroplanes, nothing had been done on this side of the water towards insuring the machines themselves.

The home company will probably extend this class of business to Canada, where it is represented by a number of agencies, and it is probable too, that other companies in the fire and accident business will adopt similar lines of insurance. A. M. Kirkpatrick, of Wood & Kirkpatrick, Toronto agents for the Home Insurance Company, states that he expects to be writing aeroplane insurance in Canada next year. Rates and forms have not been issued yet, but it is understood that in view of the high moral hazard special stress will be laid upon the importance of a careful investigation of the financial standing, aviation experience and condition of the aircraft of the assured, together with the uses to which the machine is to be put.

Will Include Many Lines

Physical hazards of the aircrafts to be insured will also be given serious consideration, as it is recognized that many aircraft are coming into commercial use, which have had severe neglect or abuse during their operation in the army or at the training camps. Such planes when damaged have not been efficiently repaired and are, therefore, not good risks in many instances.

The forms of policies will be much the same as policies now issued on automobiles. The lines of aircraft insurance which it is proposed to write include fire, theft, collision and property damage, and apply to the maintenance, operation and use of aircraft for private and commercial purposes, including the transportation of passengers. All policies are to be written at the home office after receipt of full information, and no policy will be issued for a period longer than six months.

The rates to be established for the various hazards involved have been decided upon the following basis of cover and will be for the six months' period:

Fire Insurance — Covering fire from any cause and lightning, at any location, while in flight or while being transported.

Theft Insurance—Covering theft of the machine or any of its parts, excluding, however, the first $100 from every loss, and coverage only issued in connection with fire policy, with warranty of housing in recognized hangar.

Collision Insurance — Covers direct damage to plane and equipment as result of collision with any other plane or object or with the earth or impact with water. This cover will contain 10 per cent. deductible clause, excluding 10 per cent. of the amount of the insurance from each separate loss.

Property Damages—Covers liability of the owner of the plane for damage to the property of others not carried on the aircraft.

Special Hazards — Acrobatic, instruction and demonstration work will be permitted for an additional premium when such work is conducted by experienced pilots.

PILFERAGE OR THEFT?

The Difference is Defined by New York Court

Most marine or transportation insurance policies indemnify the policyholder against "theft" but refuse to admit liability for "pilferage." Sometimes there is not a very clear line of demarcation between the two. A case involving this point was settled in a New York court this week, when an insurance company refused to admit liability for the theft of five pieces of cloth stolen from a package of twelve pieces. The company contended that as only part of a package was stolen, this constituted pilferage.

The shipper sued, however, and the court sustained him, ruling that the distinction drawn by the company was too fine. He defined pilferage as a petty theft.

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Great Britain's present national debt of $37,500,000,000 is nearly twelve times greater than before the war. The annual interest is more than half the total debt of 1914, and the nation is spending at an annual rate of $8,212,500,000, excluding interest charges. Excess of imports over exports are now $8,050,000,000 against $670,000,000 before the war.

EASTERN CANADA NOW WANTS WHAT WEST DISCARDED

Western Cities Had Enough of Single Tax and Dropped It

EAST LEANS TO IT

Winnipeg Real Estate Men Ask That Taxes on Improvements Be Increased, to Relieve Burden on Land

While there are agitations in Eastern Canada, and especially in Ontario, favoring the single tax, or a modification of it, as a solution of taxation problems, Western Canadian cities are looking to higher assessments on improvements to meet theirs. Western Canada has tried the single tax, and Eastern Canada has not, with the possible exception of Ottawa and one or two other places that have only recently adopted the principle. The West has had enough of the single tax,' and there is a warning for the East in its experience. Edmonton, Calgary, Saskatoon, South Vancouver and many other Western municipalities are raising the scale of taxation for improved property as the only way out of their financial troubles.

Winnipeg Land Burdened

Winnipeg is another Western city that is beginning to feel the pinch of excessive taxes on land. In Winnipeg 90 per cent. of the total municipal taxation is levied on real estate. A few days ago the Winnipeg Real Estate Exchange presented a memorandum to the Manitoba Assessment and Taxation Commission stating that land in Winnipeg is overburdened with taxation. They made certain recommendations, which are interesting when compared with the agitation in Ontario for the shifting of a larger burden of taxation to land, which has culminated in the action of some of the Ontario towns in partially exempting from taxation houses assessed at under $4,000. The recommendations were as folows:

"That a tax on business profits should replace the tax on rental values.

"That an income tax should be imposed on all incomes in excess of $1,000.

"That real property should not bear more than 50 per cent. of the total taxes levied in any one year.

"That all revenues derived within the municipality, such as taxes on amusements, licenses, etc., should be given to the municipality within which they originate to be used for municipal purposes.

"We are further of the opinion that no utility should be undertaken by any municipality which will not be self-sustaining in the fullest extent, including all charges for interest, operation and sinking fund, and that any surplus earnings from the operation of such utilities, after making proper provision for fixed charges, and sinking fund, should be applied toward the reduction of the general rate."

An Expert's Warning

There is danger that if Premier Drury puts through the legislation he has promised, giving municipalities local option in regard to taxation that many towns and cities in Ontario will adopt single tax without considering the possible results. James C. Forman, Assessment Commissioner for the City of Toronto, speaking of single tax, said the other day:

"If Toronto is allowed to adopt single tax to the extent of assessing at 75 per cent., of the value of buildings no harm would be done to anybody. As a matter of fact, improvements are not now assessed above 75 per cent. of the value. For instance, the assessment on land in Toronto for 1920 is $294,951,000; buildings, $235,997,000; business, $69,496,000, and income, $42,371,000, a total of $642,816,000. The limit in taxation on land laid down by the single tax system is 4½ per cent. of the rental value annually. Our land is assessed at 3 per cent., and to reach the annual rental value we could go only 1½ per cent., which would bring the total assessment up to $450,000,000, and we would thus be short $150,000,000 in assessment. The only way to bring this up to requirements would be to bring the land assessment over the rental value. Vacant land in the city would become less valuable by reason of the heavy tax placed upon it, and the city would therefore get less revenue."

DOMINION FINANCES

Total National Debt Is Approaching $2,000,000,000 Mark

Ottawa.—Ordinary expenditure by the Dominion last month exceeded ordinary revenue. Expenditure was $43,486,000; revenue, $31,618,000. The heavy expenditure, however, is largely accounted for by a large payment on November 1 of interest on war loans. During the eight months' period closing with the end of November, ordinary revenue was $218,027,000; ordinary expenditure, $202,536,000. Increase in net debt during November was $32,963,000, as compared with $20,394,000 in November of last year. The total net debt of the Dominion is now $1,817,839,000.

Texas is now producing crude oil at a rate approaching 80,000,000 barrels a year, its output being exceeded only by that of the Oklahoma and California fields.

CANADIAN STOCKS

Quotations of listed Securities on the Montreal and Toronto Stock Exchange, with prices at closing on Dec. 12. In stocks listed on both Exchanges prices quoted are those of the market in which a stock is the more active. (Reserve Funds, Profit and Loss, include all Reserves except "Depreciation.")

BANKS

Capital Stock Outstanding	Reserve Fund	Profit and Loss	Net Earnings % 1917-18	Dividends 1916	Dividends 1917	Dividends 1918	Last Dividend Date 1919	Rate	Yield to Dec. 3	BANKS	Range 1916 High	Range 1916 Low	Range 1917 High	Range 1917 Low	Range 1918 High	Range 1918 Low	Range 1919 to Dec. 4 High	Date	Low	Date	Close Dec. 12 1918 Ask	Bid	Close Dec. 10 Ask	Bid	Week ending Dec. 10 High	Low	Close	Sales
4,866,666	3,017,333	428,844	13 70	7	8					British North America	112	110	112	112	165	112												
15,000,000	15,000,000	1,444,842	19 00	10+2	10+2	10+2	1st Dec.	3	6.03	Commerce	203	183	188	182½	202	183¾	215	Jan. 9	196	Nov 14		191½	197½	197	198⅛	198	198	55
6,000,000	7,000,000	446,503	18 10	12	12	12	1st Dec	q. 3	5.88	Dominion	220	204	212½	202	209½	199	219	Jan. 20	199¾	June 26		204¼	205	204	205	204⅞	205	88
3,000,000	3,500,000	85,114	19 03	12	12	12	1st Dec.	q. 3	6.25	Hamilton	197	246¾	192	184	188⅛	184	209	Jan. 15	181½	May 27		186¾	189	188	188¾	187	188¾	40
4,000,000	3,800,000	62,959	14 87	9	9	9	1st Dec.	q. 2¼	5.80	Hochelaga	149	145	145	140	143	140	160	July 26	147	Jan. 13		140			155			100
7,000,000	7,500,000	865,459	17 81	12	12	12	1st Nov.	q. 3	6 09	Imperial	203	180	200½	185	202½	185	210	Jan 20	196	July 24		202½	198	196½	197⅛	197	197	72
947,705	400,000	158,348	12 26	5	5	5	1st Dec.	q. 1½	6 32	Home Bank																		
7,000,000	7,000,000	574,043	19 75	10	10	10+1	1st Nov.	q. 2¾	5.76	Merchants	180	150	170	167	180	169	202½	Apr. 25	180	Jan. 2		171	189		190	187¾	189	83
4,000 000	4,800,000	248,029	17 80	11	11	11	1st Oct.	q. 3	6 26	Molsons	195	182	186	179½	179⅞	179¾	200	Jan. 17	179½	Jan. 3	179⅞		191		192	190	190	28
16,000 000	16,000,000	1,901,613	16 01	10+2	10+2	10+2	1st Dec.	q. 3	5 74	Montreal	240½	219	234	210	218½	210	225	Apr 24	207¼	Nov. 10		212	211	208	210	209	209½	40
2,000,000	2 200,000	48,699	26 67	8	9	9	1st Nov.	q. 2½	5.62	Nationale	134	134	149	134	148	148	160	Sept. 19										
6,500,000	12,000,000	749,694	21 70	14	14	14	1st Oct.	q. 4	5.86	Nova Scotia	261	254	257½	248½	251½	248	278	July 25	255	Jan. 4		250	274	270	273½	273	273	19
4,000,000	4,750,000	199 853	16 12	12	12	12	1st May	q. 2	5.76	Ottawa	204	202	202	200	206	201	208	Feb. 1	203	Jan. 4								
14,000,000	15,000.00	535,757	20 06	12	12	12	1st Dec	q. 3	5 58	Royal	221¼	210	214	208	215	205	218½	Nov. 13	205	Feb. 17	208			215	216	215	215	201
3,500,000	4 500.00	227,326	19 91	13	13	13	1st Nov.	q. 3¼	6.22	Standard	221	211¼	215	200	208½	200	217	July 15	204½	Apr. 25	200		210½	209	209½			6
1,223,341	400,000	240,909	17 50	6	6	6	15th Nov.	q. 1½	6.59	Sterling																		
5,000,000	6,000,000	625,6	16 90	11	11	11	1st Dec.	q. 3	6.15	Toronto	215½	190	192	187½	193½	184½	205	Feb. 4	193	Jan. 6		188	196¼	195	195½	195	195½	2
5,000,000	3,400,000	126,298	15 48	8+1	8+1	9	1st Dec.	q. 2½	6.25	Union	140	132	142	135	162	137	171	Jan. 7	157½	Feb. 20	162	159		161	160			10

TRANSPORTATION—RAILWAYS, NAVIGATION AND STREET CARS

Outstanding Common Stock	Outstanding Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	1917	1918	Last Dividend Date	Rate	Yield	Company	1916 High	1916 Low	1917 High	1917 Low	1918 High	1918 Low	1919 High	Date	Low	Date	Close Dec. 12 1918 Ask	Bid	Close Dec. 10 Ask	Bid	Week High	Low	Close	Sales
27,450 000	8,483,500	52,083,991							Barcelona, T. L. and P.	17	19	17	8	15¼	8¾	13¼	Jan 10	7⅛	Nov. 13	13½	13	8¼	7¾	7¾			130
106,417,800		7,500,000	5,190,986	1	..	1st Mar. '17	q. 1		Brazilian Traction L. and P.	62⅝	43	47¾	31¾	40	32	61	July 10	50	Feb. 4	52¼		50¼	50	52	50	50¼	7,708
	10,000,000			6	6	1st Oct.	q. 1½		Brazilian Traction, Pref.																		
12,000,000		6,684,206	5,009,630			16th Sept.	q. 1	5.12	Canada Steamships Lines, Com	45	16	45⅝	29¾	51	39¼	81	Dec. 3	41½	Feb. 2	49¾	48½	78	77	79¾	7 ¾	78¾	2,639
	12,500,000			19.83	7	1st Oct.	q. 1¾	8.13	" " " Pref	95½	89¾	93¾	71	80	72½	87½	June 2	77	Feb. 13	79	78½	86¼	86¼	87	85½	86½	1,514
260,000,000	90,681,921	271,934,882	233,999,716	10	10	1st Oct.	q. 2½	5.90	Canadian Pacific Railway	182½	163¾	167½	127¾	185	137¾	175	July 16	160	Jan. 9								
15,000,000		35,851,500	7,807,827	7¾	8	1st Dec.	q. 2	7.40	Detroit United	128½	69	128	104¾			113	Nov. 4	94	May 10			109¼	109	109	105	109	995
3,500,000	1,500,000	3,500,000	576,002	2	3	1st Oct. '18	s. 1	7 14	Duluth Superior Traction Co., Com	49	37	51	40	42	41	32½	Oct. 30	28	Feb. 21								
12,331,000		4 562,000	1,060,346	3					Illinois Traction, Com.																		
	7,289,500			6	6	1st Oct.	q. 1½	8.69	Illinois Traction, Preferred	91	87¾	89	79	80	80	80	Feb. 1	67	Nov. 24					68			18
20,000,000		16,381 333				1st Nov. '13	q. 1¾		Mexico Tramways Co.																		
25,206,800	12,603,400	87,264,900	20,488,0 4	7	7	15th Oct.	s. 3½		Minn., St. P. and S.S.M., com																		
3,403,330		35,608,153	1,152 457	10		1st Oct.	q. 2½	7.35	Montreal Tramways			181	144	150	150	145	Dec 4	114¾	June 4					155	150	155	385
9,000,000	4 465,500	14,075,000	2,428 908	5	5	15th Sept.	q. 1¼	6.84	Northern Ohio Traction																		
3,000,000		3,885,666	253,513			1st Oct. '14	p. 1		Porto Rico Railways Co., Com	49½	30	42	30	37	25¼	35	Feb. 8	24	Sept. 9			25		23¾			10
	1,000,000			7	7	1st Oct.	q 1¾	8.75	" " " " Pref.	30		80	80														
9,999,500		10,797,000	753,091			15th Jan. '12	q. 1 p		Quebec Railway L., Heat & P. Co.	45	14	35½	14¾	22¾	15	25	Nov. 15	16½	Feb. 19		17	27½	26½	28½	22¼	28½	15461
12,000,000		2,730,253	6,675,017	8	4	2nd Jan.	q 1		Toronto Railway	111	72	90½	58½	63	58	55	Jan. 4	39	June 14	58		46	42	44½	44	44	35
22,000,000	3,000,000	20,238,000	1,180,078	6	1	2nd Jan.	q 1		Twin City, common	101	93½	95	63	65½	39½	58	June 4	36¾	Nov. 25	56	54	40	35	42	40	42	119
9,000,000		10,130,000	1,502,068			1st Jan. '16	q. 2½		Winnipeg Electric	110	90	81	36	48	48	49	Mar. 3	35	Jan. 16								

TELEGRAPH, LIGHT AND POWER UTILITIES

Outstanding Common Stock	Outstanding Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	1917	1918	Last Dividend Date	Rate	Yield	Company	1916 High	1916 Low	1917 High	1917 Low	1918 High	1918 Low	1919 High	Date	Low	Date	Close Dec. 12 1918 Ask	Bid	Close Dec. 10 Ask	Bid	Week High	Low	Close	Sales
18,000,000		11,149,000	2,286,556	8	8	15th Oct	q. 2	6.83	Bell Telephone	152	140	150	129	132½	128	133	May 19	114	June 7	130		118		116	115½	115½	42
5,360,700				10	10	1st Oct	q. 2½	6.62	Consumers Gas	176	160	165½	147	153	144½	152	Feb. 14	138	Oct. 16	150		151		151	150	150	19
1,900,000		2,999,813	141,438						Calgary Power																		
41,380,400			1,924,151	1½	6	1st Oct.	q. 1½	7.67	Mackay, common	69¼	64½	90	70¾	79¾	72½	82	May 12	71½	Jan. 23	75¾	76¼		77	79½	78	78	54
	50,000,000			*	4	1st Oct.	q. 1	6.06	" preferred	15	15	68	59	65⅞	56⅛	68	June 6	64¼	Jan 28	65	64		68½	66½	65½	66	20
13,585,000	6,000,000	21,073,833				30th Dec. '13	q. 1		Mexican Light and Power Co., com					20	18	18	June 6										
64,126,100			2,608,204	4	4	15th Nov	q. 1¼	6.17	Montreal L., H, and Power Cons			82⅞	67½	88½	68¼	95	July 24	84½	Feb. [illegible]	86⅞	86¾	88½	88	89	88	88¾	2,235
3,499,120		1,275,000	884,525	6	6	1st Oct.	q. 1½	6.89	Ottawa, Light, Heat and Power Co.	95¾	92	92	69¾	86	69	87	Oct 23	75	Jan. 18					82			10
16,342,500		9 789,261	3 039 957	7	7	10th Oct.	q. 1¾	6.03	Shawinigan Water and Power Co.	137	126¾	130½	107	118½	105	127½	May 8	114½	Jan. 13	116		118	117	121½	116	117	2,028

INDUSTRIALS AND MISCELLANEOUS

Outstanding Common Stock	Outstanding Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	1917	1918	Last Dividend Date	Rate	Yield	Company	1916 High	1916 Low	1917 High	1917 Low	1918 High	1918 Low	1919 High	Date	Low	Date	Close Dec. 12 1918 Ask	Bid	Close Dec. 10 Ask	Bid	Week High	Low	Close	Sales
5,000,000	1,000,000	5,768,200	1,073,249	7	7	1st Oct.	1½	3.42	Abitibi Power and Paper, com			58½	48	51½	48	190	Nov. 8	48	Jan. 3		48	200	199	200	189	199	1,768
6,594,300	7,994,200		1,743,234						Amer. Cyanamid, com			30	19	35⅞	21	47	July 8	38	July 7								
3,500,000		1,562,666	507,408						Ames Holden McCready Co., com	35	19½	23½	12	28	15	126½	Dec. 2	26	Jan. 3				126¾	126¾	125¾	126½	222
	2,500,000					1st Oct.	q. 1¾	6.14	" " " pref	80½	52	61	47	72½	47	116¼	Oct. 23	65⅞	Jan. 2	71½			112	112¾	112	112½	161
4,266 200				4	5	21st Nov.	q. 1½	9.52	British Col. Fish, com			56	35	51½	41	71	Oct. 18	46	Mar. 15	47½	45	63	61	61½			60
7,000,000	2,000,000	1,452,000	607,100	5	5	7th Nov.	1¼	6.25	Brompton Pulp and Paper, com			59	38	63¾	41¾	86¼	Nov. 3	55	Apr 30	61	60⅝	83¾	83	84¾	80½	82¾	6,127
750,000			721,391	6	6	1st Oct.	q. 2	7.61	F. N. Burt Company, com	88	72	82	65	75	63½	112½	Oct. 9	71	Jan. 13			109½	107	110	107	107	131
	1,975,200			7	7	1st Oct.	q. 1¾	6.60	" " " pref	96	86	93½	86	90	77¼	110⅛	Oct. 10	90	Jan. 22			109½	107	110	105½	110	120
2,500,000		3,750,000	103,418	2		2nd Jan. '17	2		Canada Bread, com	30	16½	20	13	24½	16	33	Nov. 24	18	Feb. 11	23	22⅝	31		32¾	30½	30¾	337
	1,250,000			7	7	1st Oct.	q. 1¾	8.64	" " pref	90	87	86½	80	83¾	83¾	85	Jan. [illegible]	78¼	Sept. 15				86½	86½	86	86½	236
13,500,000		6,839,046	4,002,643	6	6	16th Oct.	q. 1½	8.46	Canada Cement, com	73	37¾	69⅞	52	69¾	56½	74	Oct. 23	63	Feb. 6	63⅞	63½	71¼	70¾	71¾	70¾	71½	1,183
	10,500,000			7	7	16th Nov.	q. 1¾	7.07	" " pref	9	86	95¾	90	96	90	103¾	Sept. 24	95	Jan. 2	96	94½		98	100	98½	98½	226
4,975,000		5,222,593	5,830,171			2nd June '14	s. 2		Canadian Car and Foundry, com	75	32	46½	17	38¼	18	55	Nov. 4	28	Jan. 2		32		51½	53¾	51	52	1,015
	7,500,000				3½	10th Oct.	q. 1¾ + 1¾	7.14	" " " pref	94	1¾	89	49	91	49½	101½	Sept. 17	82	Jan. 23		84½	100	98½	100	98¾	109	1,211
1,733,500		399,000	443,879	3	4½	15th Nov.	q. 1½	7.14	Canadian Converters	46	34	43	39	50	43	71½	Nov. 15	45	Feb. 6								
2,715,500		4,626,000	2,518,893	4	6	4th Oct.	q. 1½	6.18	Canadian Cottons, Limited com	65	39	56	46½	70	48½	98	Nov. 28	67	Feb. 20	68	67	97½	97	98	95½	97½	595
	3,661,500			6	6	4th Oct	q. 1½	7.31	Canadian Cottons, Limited, pref	82½	75½	82	75	77	71	87¾	Apr. 22	76	Jan. 10	76							
1,600,000	1,500,000		1,762,537	9	6	15th July	s. 3		Canadian Fairbanks-Morse, pref.																		
960,000		179,200	1,297,[illegible]06	12+3	12	15th Nov.	q. 3	6.41	Canadian Foundries & Forgings, co	217	170	205	150	213	150	208	July. 9	175	Nov. 30			196½	185½	190	187	190	226
	960,000			7	7	15th Nov.	q. 1¾	7.21	" " pref	90	85	84	82	97	90	92	Oct. 16	89½	Feb. 13								
2,000,000		1,500,000	1,657,324	3	6	1st Oct.	q. 1½	6.00	Canadian Locomotive Co., com	64½	51	64	52½	69½	58	105¾	Oct. 8	60	Feb. 20	65	63½	101	99½	100			25
	1,500,000			7	7	1st Oct.	q. 1¾	7.36	" " " pref	99	81	91½	83	90½	83	97½	Oct. 20	89½	Apr. 8			97	95	95			10
2,805,500		9,500,000	5,700,795			15th Oct. '14			Can. Consolidated Rubber, com	91	84	99¾	90	100	98	150	July 9										
	3,000,000			7	7	30th Sept.	q. 1¾	7 00	" " " pref	97	91	99¼	95	98	97	100	July 11	97	Feb. 7								
8,000,000			5,122,776	8	8	1st Oct.	q. 2	7.40	Canadian General Electric, com	121	108	115½	99½	106	99½	116	May 9	101½	Mar. 18	107	105½	106		107½	105½	106½	189
	2,000,000			7	7	1st Oct.	s. 3½	7.04	" " " pref	112	110	106	94½	110	100	99½	Nov. 28							100			5
1,200,000		465 500	573,116						Carriage Factories Limited, com	44	29¾	25	9¼	17	15	33	Oct. 6	13	June 6				26	26	24	28	115
	1,200,800					15th July '15	q. 1¾		" " " pref	75	60					75½	Nov 5	46	July 30				75	75½	72¼	75½	220
565,000		55,114	159,507			1st Oct. '16	q. 2		City Dairy, com	98	89	30	30	50	30	62½	May 27	48	Jan. 28								
	700,000				5¼	1st Oct.	q. 1¾	7.60	" " pref	100½	92	70	60	87	60	95	Aug. 1	84	Feb. 18								
6 500,000			3,025,307	9½+2	8	15th Nov.	q. 2	7.69	Dominion Bridge Co	231½	160	170	125	128	123	123	Jan. 13	94	Aug. 28			106	104	104¾	103	104¾	210
2 796,300		1,719,410	1,472,[illegible]21		..	1st Apr. '14	q.		Dominion Canners, com	22	15	26	19	43	40	65½	Oct. 18	34	Mar. 14	36	34	59½	57½	59	58	59	235
	2,290,500			7	11¼+7	1st Oct.	q. 1¾	7.77	" pref	65	61½	78	65	61	65	92	June 6	76	Jan. 10	73½	73	90	89	89	88	[illegible]	40
57,097,700	7,000,000	20,830,097	19,459,251	4½	5¼	1st Oct.	q. 1½	8.21	Dominion Steel Corporation, com	82	43	71¼	50¾	65	53	75¼	Dec. 4	58¾	Feb. 3	62½	62	72¾	72	74½	71	72	10,896
	5,000,000	13 641,526		7	7	1st Oct.	q. 1¾	7.44	Dominion Iron and Steel, pref.	105	90	95	87½	98	88	100	May 16	91	Sept 19	95	93						
15,000,000	3,000,000	6,016,500		7	7	1st Nov.	q. 1¾	7.14	Dominion Coal, pref	99	93	95½	85	95	94¼	100	June 11	95	May 2			98		98	98½	97½	106
5,000,000		3,267,500	3,349,083	7	7½	1st Oct.	q. 2	6.61	Dominion Textile, com	90½	74½	89	76½	100½	80¾	125⅞	July 16	100	Feb. 5	100	99⅞	125	124	125	127½	124½	1,406
	1,940,600			7	7	15th Oct.	q. 1¾	6.66	" pref	105	101	105	99½	102	100	108	Mar. 14	101	Jan. 15					106			55
2,250,500		1,100,000	685,115						Goodwins, Limited, com	40	40			15	11	27	July 21	10	Feb. 5								
	1,750,000					2nd July '14	q. 1¾		" " pref	75	40	45	45	45	45	75	July 17	45	Jan. 11				78	78	77½	78	50
747,500		210,000	1,260,366	6	6	1st Oct.	q. 1½	6.00	Goulds Manufacturing Co., com			100	100	100	100												
	747,500			7	7	1st Oct.	q. 1¾	7.00	" " " pref			100	100	100	100												
6 267,005	500,000		1,009,017	10	10	1st Oct.	50c		International Petroleum			15.30	11.60	20.50	13.00	32.25	May 14	19.25	Jan. 8				59.00	61.00			40
40,000,000		8,294,000	57,721						Lake Superior Corporation			24	10														
2,100 000		900,000	978,797	8	15	1st Dec.	q. 3	5.35	Lake of Woods Milling Co., com	136¼	122	130	120	169	120⅛	229½	Nov. 12	157	Mar. 26		154		200	200	190	200	119
	1,500,000			7	7	1st Dec.	q. 1¾	6 48	" " " pref	129	116	116	116	110	100	110	Nov. 6	106	Jan. 17								
9,600,000		620,615	2,425,548	10	10	1st Oct.	q. 3	5.10	Laurentide Co	217½	176	195	152	198	152	246	Oct. 23	192	Jan. 10	178¾	178	254	253	255	237	254	3,206
1,750,000	1,300,000	988,400	402,001	2	8	10th Oct.	2	8.24	Lyall Construction Co., com	93	25	80	53	85½	63	165	Nov. 1	64	Apr. 2			97	95	106	98	98	1,085
3,000,000	1,766,800		422,906		..	30th June '13			A. Macdonald Co. com	19½	10	15½	8	23	13½	40	Oct. 17	21½	Jan. 10	22	21	38¼	38	39½	36	38¼	225
2 500,000			2,318,545	22½	10+14	18th Oct.	q. 3	5.91	Maple Leaf Milling, com	122	100	115	90	140	91	209	Oct. 20	121½	Jan. 30	134		205	199	205	203	203	65
	2,500,000			7	7	18th Oct.	q. 1¾	6.79	" " " pref	108	93	103	91¾	98½	91½	107	June 23	96¼	Jan. 8	98	97	103	102	103	102½	102¾	16
2,949,600				4	4	15th Sept.	q. 1¼	6.02	Montreal Cottons, Ltd., com	63	50	58½	49	61	50	84	Nov. 17	58⅜	Jan. 9		59			81			10
	2,949,600			7	7	15th Sept.	q. 1¾	7 00	" " " pref	115	99	103	99	100	99½	105	Nov. 27	100	Jan. 17	100				104			25
1,275,000			671,905		4	1st Nov. '13	q. 1½		Monarch Knitting Co., com	40	25⅛	40	30	46	39	65	Nov. 4	50	Jan. 28								
	750,000			7	7	1st Nov.	q. 1¾	7 95	" " pref	83	80	81	80	80½	75	92	June 13	78	Jan. 6								
2,000,000			527,504						National Steel Car, com			21	5	10½	5	16	Feb. 27	4	Nov. 8			4½	3½	4	4	4	140
	1,500,000					15th Jan	q. 1¾		" " " pref			78	17	40	20	59	Mar. 19	18	Jan. 14		30	23		20	19	19	22
15,000,000		11,169,619	4,616,584	5+20	5	15th Oct.	q. 1¼	5.88	Nova Scotia Steel, com	154½	93¾	128	66	71½	63½	97	June 2	48	Mar 5								
	1,000,000			8	8	15th Oct.	q. 2	7.40	" " " pref.	115	110	112	105	103	100	112½	July 4	104½	Mar. 21								
2,500,000		2,350,000	3,830,592	10½15	12+15	1st Oct.	q. 3+15	4.28	Ogilvie Flour, com	152	127⅞	158	137	205	140	298	Nov. 18	194	Mar. 11				282	282	275	280	355
	2,000,000			7	7	1st Dec	q. 1¾	6.60	" " pref	116	44½	115	107	111	100	110	Feb. 8	105¼	Nov. 24								
750,000		561,300	281,729						Ont. Steel Products, com	45	19	34	18	35	22½	50	Nov. 19	27	Apr. 28				48	48	48	48	110
	750,000			7+1¼	7+1¾	15th Nov.	q. 1¾ + ½	8.86	" " " pref	91½	73	74	74	28	73	90	Nov. 11	75	May 19					90	85	90	64
650,000			29,654	2	2	1st July	s. 1	6.06	Pacific-Burt Co., com	29	20	40	28	34	34	37	Nov. 24	25	May 22	34							
	650,000			7	7	1st Oct.	q. 1¾	8.33	" " pref	83¼	77½	82	79	77¼	77¾	85	Oct. 23	75	Mar 8	77¼							
600,000			1,010,427	8+5	8+4	15th Sept.	4+2	7.75	Paton Manufacturing Co.			130	124	124	124												
2,150,600		2,000,000	3,350,167	4+1	5½+2	15th Nov.	q. 1¾	6.60	Penmans, Limited, com	78	60	73½	64	84	65	112	Oct. 23	77½	Jan. 4	79		112	109	112½	108	112½	360
	1,075,000			6	6	1st Nov.	q. 1½	6.59	" " pref	90	82	86	81½	85¼	81½	98½	Oct 8	82¾	Feb. 5	86				91			10
5,000,000		5,651 484	2,874224	6	8+2	1st Dec.	2	3.08	Price Bros	132	60½	134	115	151	120	260	Nov. 27	150	Jan. 10			263		259	259	259	105
4,500,000		2,033,500	1,851,813	6+4	10	15th Nov.	q. 2½	6.66	Riordon Pulp and Paper, com	150	59	127	106	123	117¼	159	Oct. 18	117¼	Jan. 2			151½	151	152½	149	151½	760
	1,000,000			7	7	30th Sept.	q. 1¾	7.07	" " " pref			95	90	97	92½	100	June 6	94	Jan. 4				99	99	97	99	130
1,500,000		502,000	428,647	1½		1st Apr. '17	q. 1½		William A. Rogers, Ltd., com	99	85	80	40			80	Oct. 22	25½	Mar. 28				68	68			5
	1,122,800			7			q. 1¾		" " " pref	99	87	92	90			95½	Nov. 11	65	Mar. 13				95	95			10
800,000			536,162	7	7	1st Nov.	q. 1¾	7.07	Russell Motor Car, com	114	32	92	50	90⅞	55	102¼	Oct 23	68	Feb. 19			95	92	95			25
	1,200,000			29¾	7	1st Nov.	q. 1¾	7.14	" " " pref	139	66	122	72	91¼	68¼	109	Oct. 24	70	Jan. 10			99	95	99¼	94	99	199
1,500,000		529,300	310,114						Sawyer-Massey Co., com	30	20	24	8	13	10	22	July 11	8	Apr. 17								
	1,500,000					2nd June '14	q. 1¾		" " pref	134½	58	41	40	40	40	65	Nov. 29	30	Apr. 11			67	65	67	65	65	25
4,000,000		1,838,500	2,333,282						Sherwin-Williams, com	99½	53½	60	56	60	60	76	Sept. 6	60	Jan 3								
	3,425,000			7	7	30th Sept.	q. 1¾	7.00	" " pref	100	97½	100	98	100	99	102	June 23	97½	Aug. 27								
8,750,000			395,100	6+2	8	1st Oct.	q. 2	5.51	Shredded Wheat, com	140½	102¼	137¾	112	112	100	147	Oct. 27	124	Mar. 15								
	1,250,000			6	6	1st Oct.	q. 1½	6.66	" " pref	120	95	95	95	92	87	90	Apr. 22	89	Jan. 13								
1,062,500		288,000	205,765	4	2				Smith Paper Mills, Com			74½	66	66	65	147	Nov. 8	65	Feb. 27								
	475,000			7	7	15th Oct.	q. 1¾	7.07	" " " Pref					80	73¾	99½	Nov. 4	78	Feb. 28								
8,000,000		10,332,113	2,368,222						Spanish River Pulp Mills, com	24¼	3½	19	12½	20	12¾	73½	Nov 27	17	Jan. 14	17¼	16¾	81	80	78⅞	70	78	22,726
	5,699,100					15th July '13	q. 1¾		" " " pref	70	29	59¾	47	64¾	50	123	Nov. 27	63½	Jan. 23	62	60½	130		129	122	129	4,013
11,500,000		8,931,246	15,019,130	6	4	1st Nov.	q. 1½	7.89	Steel Co. of Canada, com	88¾	34¼	71½	47½	74¾	49¾	81½	Dec. 4	57½	Feb. 1	65½	68¼	82½	81¾	85	80¾	83¾	18,697
	6,496,300			7	7	1st Nov.	q. 1¾	7.04	" " " pref	107¼	82½	100½	84½	98	84	100¾	May 26	91½	Mar. 28	55			99½	100	99	100	337
1,250,000	3,602 700	1,066,945	311,577			1st June '14	3½		Standard Chemtnal, pfd					62	62¼												
1,200,000		167,155	251,154		5¾+4	1st Nov.	1½+1	4.80	St. Lawrence Flour, com					97¾	50	126½	Dec. 4	97½	Mar. 12	95½	94	136	135	136	127¾	135	2,696
	575,000				7	1st Nov.	1¾	7.77	" " pref			56	49	65	80	97	June 2	80	Feb 8					95			5
650,000			149,379						Tooke Bros., com	25	16	19	19	30	15	73	Oct. 21	20	Mar 11								
	985,000			8¾	3½	13th Dec.	q. 1¾	7.77	" pref	83	78	79	70	77	72¼	92¼	Sept. 19	70	Feb. 4								
750,000		461,100	302,984	6+4	6+3	2nd July	s. 3+1	4.37	Toronto Paper Co	96	44	90	72	72⅞	65	137	Oct 15	68	Mar. 6	71	69						
2,500,000			462,046						Tuckett Tobacco, com	25	23½	22½	17	24¼	18½	60¾	Oct. 21	22	Jan. 17		50	53½	52	53½	51	53½	590
	2,000,000			7	7	15th Oct.	q 1¾	7.77	" " pref.	90	75	83½	78	82½	72¾	91½	Sept. 25	80	Jan 4								
1,750,000		901,000	590,347		5½	2nd Oct.	2	7.84	Wabasso Cotton					61	21	107	Sept. 24	58	Jan. 2	62	60			106	103	106	10
5,000,000		3,395,000	908,060						Wayagamack com			97	50	55	50	90	Oct. 25	46	June 2			81	80½	81¾	76¾	81	1,925
1,718,600		440,000	1 091,439	7	7+5	1st Dec.	q. 1¾+5	6.25	Woods Manufacturing Co., Ltd. com.	65	33	61	44	98	57¼	115½	Nov. 27	86¼	Jan. 13								
	1,546,500			7	7	1st Oct.	q. 1¾	8.23	" " " pref	101	84	86	80	86	83½	90	Mar. 17	83¼	July 3			85		85			30

LOAN, INSURANCE AND FINANCIAL STOCKS AND MISCELLANEOUS

Common Stock outstanding	Deposits Preferred Stock or Debentures Outstanding and Int.	Reserve and Contingent P. & L.	Dividends 1918	Last Dividend Date	Per cent.	LOAN AND TRUST	Range for Year 1917 High	Low	Range for year 1918 High	Low	Latest Price Ask	Bid	Last Sale
1,205,000	3,847,080	1,337,989	9	1st Oct.	q. 2¼	Canada Landed	160	150	148¾	140	143		140
6,000,000	19,626,287	5,672,509	10	1st Oct.	q. 2½	Canada Permanent	173	162½	169½	162½	172	170	170
1,750,000	4,968,206	1,842,074	10	1st Oct.	q. 2½	Central Canada					190		
20,000	2 981,290	427,213	6	1st July	s. 3	Col. Investment, pref.	77	63	69	63	72		
934,876	1,032,651	271,556	5	2nd July	s. 2½	Dominion Savings			76	75		82	73
2,412,566	2,221,508	1,022,338		1st July	Def.	Great West Per							89½
1,200,000	2,091,322	1,228,940	8	2nd July	s. 4½	Hamilton Provident	142	137	133	121		146	
2,500,000	12,299,412	3,323,337	12	1st Oct.	q. 1½	Huron and Erie	211	205	204	203			
1,000,000	1,597,848	886,732	8	2nd July	s. 4	Landed Banking	143	143	141	140		142	
1,250,000	2,4[illegible] 10	924,981	8	1st Oct.	q. 2	London and Can. Loan	132	128½	126½	126½		119	120½
887,849	1,66[illegible],856	362,385	6+1	1st Oct	q. 1½	London Loan and Sav							
600,000	317,808	764,494	10+1	15th Sept.	q. 2½	Montreal L. & Mtg. Co.	165	162½	152				153½
1,500,000	7,892,179	1,662,183	10	1st Oct.	q. 2½+1	National Trust	212	207½				200	200
1,750,000	3,749 473	2,093,943	9	1st Oct.	q. 2¼	Ont. Loan and Deb.	175	175				160	157
500,000	614 943	266,434	7	2nd July	s. 3½	Real Estate Loan					100		98
1,500,000	34,589,757	2,152,812	10+1	1st Oct.	q. 2½+1	Toronto Gen. Trusts	215	200	204	199¾	211		211
724,550	1,773,183	689,449	8	1st Oct.	q. 2	Toronto Mortgage Co.	140	136	134			139	131
[illegible]	1,912,673	1,134,604	10	1st Oct.	q. 2½	Toronto Savings							185
[illegible]	11,157,301	494,065	7	1st Oct.	q. 2	Union Trust							179
[illegible]	49,964,980	7 483,662	15	1st Oct.	q. 2½	Canada Life Assurance							190

Common Stock Outstanding	Bonds, Preferred Stock or D'b'ntures Outstanding	Reserve and Contingent P. & L.	Dividend 1918	Last Dividend Date	Per cent.	MISCELLANEOUS COMPANIES	Range for year 1917 High	Low	Range for Year 1918 High	Low	Latest Price Ask	Bid
3,000,000		1,365,591		15th Oct.	1¼	Asbestos Corporation, com.	21	12	45	15	84	80
	2,000,000		5¼	15th Oct.	1½	" " pref	58	42	62¾	44½	96½	
1,500,000		1,987,697	8	1st Oct.	s. 4	Canadian N. Prairie Lands						
800,000	380,000	523,572	8	1st Oct.	q. 2	Canadian Salt	136	128	132	126	142	
59,109		2,298,978	$5	23rd Dec.	$5	Can North-West Land						
100,000	11,234,281	1,969,045	20	30th Sept.	q. 5	Confederation Life A.	330	330			375	
6,212,666		443,964	4½	1st Dec.	q. 1½	Crows Nest Pass Coal	70	50	55	50		60
1,000,000		290,978	6	15th Oct.	q. 1½	Dominion Telegraph	89	76½				90
3,000,000	12,669,500					Electrical Dev., pref.						
450,000	b 7,072,085	1,991,255	10	1st Oct.	q. 2½	Imperial Life Assur						
501,000	378,900	843,103	7	1st July	s 3½	Intercolonial Coal, pref					80	
3,000,000		133,458	3	1st Mar. '14	1	Intern. Coal and Coke			25	25		
2,197,569	1,922,500	739,197	8	15th Nov.	q. 2	Kaministiquia Power			120	120	112	
637,480	b 561,000	104,871		2nd July '17	s. 3	London Street						
2,000,000		121,228	8+10cts	15th Oct.	q. 2	Montreal Telegraph	138	115	120	120	125	
925,000	b1,123,000					Nia., St. Kath. and Tor.						
1 164,000	d 720,000	325,374		10th July '15	q. 1¼	Trinidad Electric						
2,340,100	b1,439,926	858,434	8+2	15th Sept.	q. 2+2	W. Can. Flour Mills						147
800,000	b 600,000	667,008	5	1st Oct.	q. 1¼	West India Electric	77	77				

NOTE—s—means semi-annually; q—quarterly; I—interim; L—Profit and Loss; +—indicates bonus; B—means bond; P—preferred stock; d—debentures; *—less than ten shares; sb—stock bonus; A—$500 per share return of capital paid February 1st, September 16th, 1912; Feb. 1st and Nov. 17th, 1916, December 1, 1914.

NEW SETTLEMENT PLAN IS PROPOSED FOR N.Y. EXCHANGE

Felix Warburg is in Favor of a Bi-weekly Arrangement

CANADA IS INTERESTED

Fact That Canadian Banks Keep Large Funds on Call in New York Market Must be Considered

By Special Representative.

NEW YORK. — Felix Warburg, until recently a member of the Federal Reserve Board, is in favor of the adoption of a weekly or a bi-weekly settlement plan on the New York Stock Exchange. Just as long as the present system of lending money on call is retained on the local exchange, Mr. Warburg is of the opinion that the best results cannot be attained through our banking system. Such was the gist of the speech, which, as chairman of the executive of the American Acceptance Council, made to the Board of Representatives on this organization at its recent annual meeting.

In view of the fact that the Canadian banks keep from $150,000,000 to $160,000,000 on call in the New York money market, such a stand on the part of so influential a financier as Mr. Warburg is of interest to Canada, particularly as Mr. Warburg's statement comes on top of criticism which began last summer, when conditions on the money market became interesting. The importance of Mr. Warburg's statement is strengthened by the fact that the American Acceptance Council has appointed a special committee to study this question of periodical settlements.

The feeling of the meeting of the Board of Representatives of the American Acceptance Council, at which this step was taken, is best appreciated from the resolution authorizing the appointment of the committee.

"Whereas the present method of daily stock exchange settlements, with its dominating and often unsettling effect on the call money market, influences adversely the development of a wide and healthy discount market in the United States.

Resolved, that the chairman of the executive committee be authorized to appoint a committee to study the advisability, ways and means of modifying the present system of settlement on the New York Stock Exchange and substituting therefor some system of periodical settlement, with power to take such steps as may seem advisable in the case."

In view of the fact that Mr. Warburg is chairman of this special committee, his personal views are of interest.

"As long as this system (the call money system) exists," said Mr. Warburg in his speech before the annual Council, "as long as the banks all over Council, as long as the banks all over the country dump their idle funds upon the Stock Exchange, treating these stock exchange loans and New York balances invested therein as the quickest and the most important secondary reserve, just as long as the Stock Exchange is in an unsound condition and just so long will it be impossible to secure for our country the benefits of a wide discount market and effective bank rates."

This statement of Mr. Warburg's must be viewed in the light of the fact that for ten years or more a group of American bankers have been agitating for a highly centralized reserve banking system, based upon a reliable discount market, as against a decentralized system based upon reserves invested in stock exchange loans. The first part of this program, of course, became a fact with the formation of the Federal Reserve System in 1914. The second part of the program is yet to be carried out.

Point has recently been given to the second part of the program by the conditions which have recently existed on the New York Stock Exchange, particularly during the month of October.

Stock Exchange Attitude

The officials of the New York Stock Exchange have consistently refused to consider the proposals to change the system of settlement at present in use. The statement made by S. F. Streit, chairman of the Committee on Clearing House of the New York Stock Exchange, made in answer to Mr. Warburg's arraignment of the call loan system, is typical of the attitude the Stock Exchange officials have taken towards these proposals. Mr. Streit's statement of this week practically repeated that which he made when this suggestion regarding the operation of the Stock Exchange clearing system first came into prominence in July. According to Mr. Streit, the officials of the Stock Exchange are moving as rapidly as possible in the matter of putting the new Stock Exchange Clearing Corporation operations into effect. The new quarters in the Stock Exchange building are expected to be ready by January 1. It is believed that when this new organization is whipped into shape, the difficulties which became so apparent during the course of the recent bull movement on the local Exchange, will be done away with to a great extent.

The Stock Exchange officials claim that even if they approved of the new settlement system it would be impossible to put it into effect until their present plan had been worked out successfully.

ENGINEER AGAINST LONDON-TORONTO BECK HYDRO LINE

Continued from page 1.

River Railway, the Lake Erie & Northern Railway, and Brantford and Hamilton Railway, with total mileage of 95 miles, about 50 per cent. more than the proposed line, were approximately $750,000.

The operating cost as given, 58.5 per cent., should be at least 70 per cent. On the London & Port Stanley the operating cost is now over 70 per cent., and never was lower than 64 per cent. It is doubtful, in view of keen competition, whether gross receipts would come up to $600,000, leaving, at 70 per cent. operating cost, a profit of $180,000, with which, for a number of years at least, to pay interest on six and a half millions.

Referring further to the results on the London and Port Stanley as an argument why the Kitchener and Waterloo Railway should be kept out of the hands of the Hydro, he said:

In the London and Port Stanley Railway statement the gross receipts shown are certainly good. The operating ratio, cost of operating as compared to gross rceipts, rises from 64 per cent. for 1916 to over 70 per cent. for 1919. The total cost of the entire undertaking is nowhere shown, so that the statements are in that lacking as to giving information on the profit as compared to the total cost. As to gross receipts and profits, the Kitchener, Waterloo Railway does comparatively better than the London and Port Stanley. On mileage, as also on population proportion, the London and Port Stanley receipts should be over $600,000 a year, in comparison with Kitchener-Waterloo receipts for 1919. It will be held that the Kitchener and Waterloo is exceptional. So is the London and Port Stanley as compared to other railways. The least that can be said is that the Kitchener and Waterloo Railway is a good thing, which we want to keep for ourselves and entirely in our own control.

Mr. Breithaupt presented many local arguments against the adoption of the Hydro Commission's proposals. He submitted that it was not economically practicable to build a straight line railway from Kitchener to Hamilton. The physical conditions over such a route presented serious problems. By building a Grand River bridge, preferably at Blair, on the old route, or at Galt, using the old direct route Great Western line, and electrifying it, they could get an economical and serviceable connection to Hamilton at a fraction of the proposed cost, as serviceable as any that is practicable.

In the proposed agreement between the Hydro-Electric Commission and the city it is repeatedly mentioned that the Commission shall not in any way be liable for error, omission, and various other things, while it is to have practically absolute control. The municipality must in the first place deposit with the Commission debentures to the full extent of its allotment, to be used by the Commission on occasion. The Commission may discontinue service altogether, if it thinks it has cause. If profits accrue the Commission may or may not pay them to the constituent municipalities, at its discretion. The municipality covenants, "To furnish a free right of way for the railway and for the power lines of the Commission over any property of the corporations upon being so requested by the Commission, and to execute such conveyance thereof or agreement with regard thereto as may be desired by the Commission."

SERVING EXPORT TRADE

Broad Activities of the Guaranty Trust Company

The interest which leading banking and financial interests in Canada and the United States have been taking in foreign trade finds reflection in the rapid expansion of the Guaranty Trust Company of New York as indicated by the statement of November 12. It shows resources of over $966,500,000, as compared with resources of a little less than $834,000,000 on September 12, or an increase of over 15 per cent. in a period of two months. In the same period deposits increased from $684,000,000 to over $705,000,000.

The Guaranty Trust Company has always maintained a broad policy in regard to International trade and finance. It is given credit for being the moving influence in organizing more than half the corporations recently formed and authorized under the Webb law to carry on foreign business. A special bureau has been organized under the direction of trade experts to assist manufacturers to reach foreign markets; authoritative ratings on commercial houses in every country throughout the world are supplied. The foreign service has been largely expanded under the conditions of war trade, and branches have been established in the principal centres of the world. The scale of these operations is indicated by the fact that the Paris office now has a staff of 750 and there are 250 people on the payroll of the London branch.

PROTEST DOUBLE TAX ON GOODS EXPORTED

C.M.A. Asks Government to Refund Taxes Paid Britain

Members of the Canadian Manufacturers' Association interviewed Sir Henry Drayton, Minister of Finance, in Ottawa this week, in an endeavor to obtain amelioration of a situation now existing, which makes it necessary for Canadian exporters to pay a double tax on profits obtained from certain exports to England.

Under the present arrangement, when a Canadian firm consigns a shipment to England, it pays the taxes on his profits in Canada and his agent or branch office in England also pays a tax because the British Government views the English end of the transaction as a separate account. The ultimate distributor in England pays a third tax on the profits he obtains from the same shipment. There was formerly a clause in the Act defining business profits, under which the Canadian Government refunded any taxes paid by the Canadian shipper to the British authorities, but this clause has been left out of the present Act. The C. M. A. have asked the Government to restore this arrangement.

With the deputation were J. E. Walsh, general manager of the C. M. A.; Sir Joseph Flavelle, E. C. Fox, and a number of other prominent manufacturers and exporters.

MONTREAL BROKERS EXPAND

Fairbanks, Gosselin & Co. Buy Cooper Building

A steady development in business has forced the Montreal brokerage firm of Fairbanks, Gosselin & Co. to seek larger quarters, and they have purchased the Cooper Building, situated on the north side of Notre Dame Street, mid-way between St. Francois Xavier and St. John Streets. It is the intention of the firm to take possession of the building early in the new year, and it will be entirely remodelled to meet the requirements of a modern brokerage and banking office. The building is particularly adapted for large brokerage quarters as it has entrance facilities from St. James Street as well. The new quarters will enable the firm to conduct all their departments on the ground floor; Montreal and New York Exhange and bond and mining.

The annual meeting of the shareholders of the Royal Bank will be held in Montreal Thursday, January 8,

In Great Britain every factory employing 300 or more workers is compelled by law to operate a training school for untrained workers. France has made training compulsory in all shops. The United States does not compel. She gives a fund for the establishment of part-time schools and evening schools.

DOMINION CANNERS HAVE HAD BIG YEAR

Outlook for Dividend Distribution Reported to be Growing Brighter

Reports of Dominion Canners indicate that the company should do at least as well as last year, and this will strengthen expectations for a beginning of dividend payments on the common early in 1920. In 1917 and 1918 the earnings available for common were 35 per cent., so that by the end of 1919 there should be 50 per cent. It is stated that the goods secured with the B. C. canning branches have turned out very satisfactory and are selling well in Eastern Canada. Supplies in hands of wholesalers are reported low so the company feels confident in selling whole of 1919 output.

CANADIAN WOOLLENS

MONTREAL.—After a return from a visit to the mills included under Canadian Woollens, Limited, the president, A. O. Dawson, expressed himself to THE FINANCIAL POST as well satisfied with the business of the mills and the prospects. The mills, he said, had all they could do, and the likelihood was that this condition would continue for a long time. There was a general scarcity of their product, yarns, all over the world,

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